LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of **Tata Teleservices (Maharashtra) Limited**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager/ Registrar to the Offer. In case you have recently sold your equity shares in Tata Teleservices (Maharashtra) Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

CASH OFFER AT Rs. 24.70 (Rupees Twenty Four and Seventy Paise Only) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES TEN EACH

Pursuant to Regulation 10 & Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

TO ACQUIRE

384,241,919 fully paid-up Equity Shares of face value Rs. 10/- each,
(representing 20% of the Emerging Voting Capital) ("Offer")

OF

Tata Teleservices (Maharashtra) Limited ("Target Company" or "TTML")

Registered office: Voltas Premises, TB Kadam Marg, Chinchpokli, Mumbai 400 033 (Tel: +91-22-6661-5445, Fax: +91-22-6660-5516)

Corporate Office: D-26, TTC Industrial Area, MIDC Sanpada, P.O. Turbhe, Navi Mumbai - 400 703
(Tel: +91-22-6661 5445 Fax: +91-22-6660 5516/17/ 6791 7777 Email: investor.relations@tatatel.co.in)

BY

NTT DOCOMO, INC. ("Acquirer" or "DOCOMO")

Registered Office / Corporate Office: Sanno Park Tower, 11-1 Nagata-cho 2-chome, Chiyoda-ku, Tokyo, Japan 100-6150
(Tel: +81-3-5156-1111, +81-3-5156-1157 Fax: +81-3-5156-0204, Email: india-dcm-ml@nttdocomo.com)

ALONG WITH

Tata Sons Limited as Person Acting in Concert ("PAC" or "TSL")

Registered Office / Corporate Office: Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001
(Tel: +91-22-6665-8282, Fax: +91-22-6665-8080, Email: tatasons@tata.com))

ATTENTION:

a) **The purchase of Shares by the Acquirer is subject to the Acquirer obtaining approval from the Reserve Bank of India ("RBI"), under the Foreign Exchange Management Act, 1999. The RBI has vide its letter dated January 23, 2009 advised that it has no objection in relation to the Acquirer purchasing the Shares from persons other than erstwhile OCBs under the Offer subject to compliance with applicable FDI policy. Acceptance of Shares from erstwhile OCB(s) are subect to receipt of specific approval from the RBI.**

b) **Approval from Foreign Investments Promotion Board ("FIPB") is required for the Transaction (as defined in 3.1.5). In the press release dated January 28, 2009, the FIPB has stated having recommended the applications made by DOCOMO for consideration of The Cabinet Committee on Economic Affairs ("CCEA"), as the investment involved in the proposals is above Rs. 600 crores.**

c) If the aggregate of the valid responses to the Offer exceeds the Offer size of 384,241,919 Shares, then the Acquirer and PAC shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. As the equity shares of the Target Company are compulsorily traded in demat form, the minimum marketable lot being one (1) Share, minimum acceptance will be one Share.

e) If there is any upward revision in the Offer Price by the Acquirer and PAC until the last date of revision i.e. Friday, February 27, 2009 or withdrawal of the Offer in terms of the SEBI Takeover Code, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated November 14, 2008, had appeared. Such revised offer price would be payable for all the equity shares of Tata Teleservices (Maharashtra) Limited, validly tendered anytime during the Offer and accepted under the Offer.

f) This Offer is not conditional on any minimum level of acceptance.

g) **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of this Letter of Offer have an option to withdraw the same up to three (3) working days prior to the date of the Offer Closing Date (i.e. Thursday, March 12, 2009). Requests for such withdrawals should reach the designated collection centres before the close of business hours on Thursday, March 5, 2009.**

h) This document has not been filed, registered or approved in any jurisdiction outside India. Recipients of this document resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements.

i) There has been no competitive bid till date.

j) **If there is a competitive bid:**
   - **i. The public offers under all the subsisting bids shall close on the same date.**
   - **ii. As the Offer Price cannot be revised during 7 (seven) working days prior to the Closing date (i.e. Thursday, March 12, 2009) of the Offers / bids, it would, therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

k) The Form of Acceptance cum Acknowledgement and Form of Withdrawal are enclosed with this Letter of Offer.

l) **The Public Announcement published on November 14, 2008, this Letter of Offer, Form of Acceptance and Form of Withdrawal will also be available on SEBI's website (www.sebi.gov.in) from the date of the Offer, being Thursday, February 19, 2009.**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
LAZARD	tsr DARASHAW Total Solutions Repository
Lazard India Private Limited 20th Floor, Express Towers, Nariman Point, Mumbai 400 021 Tel. No: 022 6752 6000; Fax No: 022 6752 6060 Email: ttml.openoffer@lazard.com Contact Person: Mr. Nikhil Saraf	**TSR Darashaw Limited** 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai 400011 Tel: 022-66568484 Fax: 022-66568494 Email: csg-unit@tsrdarashaw.com Contact Person: Ms. Mary George
OFFER OPENS ON : THURSDAY, FEBRUARY 19 , 2009	**OFFER CLOSES ON: THURSDAY, MARCH 12, 2009**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER	ORIGINAL SCHEDULE[1]		REVISED SCHEDULE	
	Date	Day	Date	Day
Public Announcement Date[2]	November 14, 2008	Friday	November 14, 2008	Friday
Specified Date [3]	December 5, 2008	Friday	December 5, 2008	Friday
Last date for a competitive bid	December 5, 2008	Friday	December 5, 2008	Friday
Date by which Letter of Offer has to be dispatched to shareholders	December 26, 2008	Friday	February 14, 2009	Saturday
Date of opening of the Offer	January 8, 2009	Thursday	February 19, 2009	Thursday
Last date for revising the Offer Price	January 15, 2009	Thursday	February 27, 2009	Friday
Last date for withdrawing acceptance from the Offer	January 21, 2009	Wednesday	March 5, 2009	Thursday
Last date of closing of the Offer	January 27, 2009	Tuesday	March 12, 2009[4]	Thursday
Last date of communicating rejection/ acceptance and payment of consideration for accepted tenders	February 11, 2009	Wednesday	March 27, 2009	Friday

(1) As per Public Announcement dated November 14, 2008 and corrigendum issued on February 11, 2009.

(2) The Public Announcement dated November 14, 2008 should be read in conjunction with corrigenda issued on December 26, 2008 and February 11, 2009.

(3) Specified date is only for the purpose of determining the names of the public shareholders as on such date to whom the Letter of Offer would be sent. This Offer is made to the public shareholders of the Target Company; accordingly the Promoters of the Target Company, PAC and entities deemed to be acting in concert with the Acquirer and PAC are ineligible to participate in the Offer.

(4) The 20 (twenty) days period for the Offer ends March 10, 2009. However, given that March 10, 2009 and March 11, 2009 are stock exchange holidays (source: www.bseindia.com), the Offer has been kept open till the next working day, that is, Thursday, March 12, 2009.

RISK FACTORS:

Given below are the risks related to the transaction and the proposed Offer:

- Acceptance of equity shares of TTML tendered in the Offer is subject to receipt of the following statutory approvals
  - The purchase of Shares by the Acquirer is subject to the Acquirer obtaining approvals from the RBI, under the FEMA. The RBI has vide its letter dated January 23, 2009 advised that it has no objection in relation to the Acquirer purchasing the Shares from persons other than erstwhile OCBs under the Offer subject to compliance with applicable FDI policy. Acceptance of Shares from erstwhile OCB(s) are subject to receipt of specific approval(s) from the RBI.
  - Approval from FIPB is required for the Transaction (as defined in 3.1.5). In a press release dated January 28, 2009, the FIPB has stated having recommended the applications made by DOCOMO for consideration of The Cabinet Committee on Economic Affairs ("CCEA"), as the investment involved in the proposals is above Rs. 600 crores.
- In the event that either (a) the regulatory approvals are not received in a timely manner or (b) litigation leading to stay on the Offer, or (c) SEBI instructing that the Offer should not be proceeded with, the Offer process may be delayed beyond the dates indicated in the Schedule of the Major Activities of the Offer indicated in this Letter of Offer. Consequently, the payment of consideration to the public Shareholders of TTML whose Shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer and PAC may also be delayed.
- Further, the Shareholders should note that after the last date of withdrawal i.e. Thursday, March 5, 2009, the Shareholders who have lodged their acceptances would not be allowed to withdraw their acceptance even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered Shares and documents would be held to the credit of a designated escrow account by the Registrar to the Offer in trust for the Acquirer and PAC, till such time the process of acceptance of tenders, the payment of consideration and other Offer obligations are completed.
- The Shares tendered in the Offer will be held to the credit of a designated escrow account in trust for the Acquirer and PAC, by the Registrar to the Offer till the completion of the Offer formalities and the Shareholders will not be able to trade in such Shares. During such period there may be fluctuations in the market price of the Shares. Accordingly the Acquirer / PAC make no assurance with respect to the market price of the Shares of TTML, which would prevail both during the Offer period and after completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- The Acquirer and the PAC make no assurance with respect to the financial performance of TTML. The Acquirer and the PAC make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in TTML. Hence, all the shareholders of TTML are required to exercise their own judgment and diligence in relation to the financial performance of TTML.
- In the event of non-compliance by the Acquirer and PAC of any provisions of the SEBI (SAST) Regulations, SEBI may pass appropriate directions with regard to the acquisition of the Shares of TTML, pursuant to which this Offer has been made to the shareholders of the Target Company.
- The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of TTML or the Acquirer/PAC or their subsidiaries or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of TTML are advised to consult their stockbroker or investment consultant, for further risks with respect to their participation in the Offer.

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1. DEFINITIONS

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<tr><td>ACQUIRER / DOCOMO</td><td>NTT DOCOMO, INC.</td></tr>
<tr><td>BSE</td><td>BOMBAY STOCK EXCHANGE LIMITED</td></tr>
<tr><td>BN</td><td>BILLION (1 BILLION = 1,000 MILLIONS; 1 MILLION = 10 LACS)</td></tr>
<tr><td>CCEA</td><td>THE CABINET COMMITTEE ON ECONOMIC AFFAIRS</td></tr>
<tr><td>CDSL</td><td>CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED</td></tr>
<tr><td>CDMA</td><td>CODE DIVISION MULTIPLE ACCESS</td></tr>
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<tr><td>FIPB</td><td>FOREIGN INVESTMENT PROMOTION BOARD</td></tr>
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<table>
<tr><th>Particulars</th><th>No. of equity shares</th></tr>
<tr><td>Issued and paid up equity shares outstanding as on the date of PA (A)</td><td>1,897,190,504</td></tr>
<tr><td>Add: Equity shares underlying possible conversion of FCCBs (B)</td><td>24,011,139</td></tr>
<tr><td>Add: Total outstanding ESOPs as on date of the PA for which equity shares may be issued (C)</td><td>7,950</td></tr>
<tr><td>Emerging Voting Capital (A + B + C)</td><td>1,921,209,593</td></tr>
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<tr><td>FOMA™</td><td>FREEDOM OF MOBILE MULTIMEDIA ACCESS - BRAND NAME FOR DOCOMO’S 3G MOBILE SERVICES BASED ON W-CDMA TECHNOLOGY</td></tr>
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<tr><td>ITO</td><td>INCOME TAX OFFICE</td></tr>
<tr><td>JPY</td><td>JAPANESE YEN</td></tr>
<tr><td>LAC</td><td>100,000 (0.1 MILLION)</td></tr>
<tr><td>LETTER OF OFFER / LOF</td><td>THIS LETTER OF OFFER</td></tr>
<tr><td>MANAGER/ MANAGER TO THE OFFER / MERCHANT BANKER</td><td>LAZARD INDIA PRIVATE LIMITED ("LIPL")</td></tr>
<tr><td>MF</td><td>MUTUAL FUNDS</td></tr>
<tr><td>MN</td><td>MILLION</td></tr>
<tr><td>NEFT</td><td>NATIONAL ELECTRONIC FUND TRANSFER</td></tr>
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<tr><td>NRI</td><td>NON RESIDENT INDIAN</td></tr>
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</table>

OFFER	OFFER MADE BY ACQUIRER ALONG WITH THE PAC TO ACQUIRE UPTO 384,241,919 EQUITY SHARES OF RS. 10 EACH FORMING 20% OF THE EMERGING VOTING CAPITAL OF THE TARGET COMPANY
OFFER OPENING DATE	THURSDAY, FEBRUARY 19, 2009
OFFER CLOSING DATE	THURSDAY, MARCH 12, 2009
OFFER PRICE	RS 24.70 PER SHARE (RUPEES TWENTY FOUR AND SEVENTY PAISE ONLY)
OFFER SIZE	384,241,919 EQUITY SHARES OF RS. 10 EACH FORMING 20% OF THE EMERGING VOTING CAPITAL OF THE TARGET COMPANY
PA / PUBLIC ANNOUNCEMENT	PUBLIC ANNOUNCEMENT FOR OFFER PUBLISHED ON NOVEMBER 14, 2008 UNDER REGULATION 14 OF THE SEBI TAKEOVER CODE TO BE READ IN CONJUNCTION WITH CORRIGENDA ISSUED ON DECEMBER 26, 2008 AND FEBRUARY 11, 2009
PERSON ACTING IN CONCERT ("PAC")	TATA SONS LIMITED ('TSL') DUE TO THE APPLICABILITY OF REGULATION 2(1)(E)(2) THERE COULD BE CERTAIN ENTITIES DEEMED TO BE PERSONS ACTING IN CONCERT WITH THE ACQUIRER AND THE PAC. HOWEVER, FOR THE PURPOSES OF THIS OFFER, OTHER THAN TSL NO OTHER PERSON IS ACTING IN CONCERT WITH THE ACQUIRER
PERSONS ELIGIBLE TO PARTICIPATE	ALL PUBLIC EQUITY SHAREHOLDERS OF TTML WHO VALIDLY TENDER THEIR SHARES IN THE OFFER BY THE OFFER CLOSING DATE; ACCORDINGLY THE ACQUIRER, THE PROMOTERS AND ENTITES BELONGING TO THE PROMOTERS OF TTML, PAC AND ENTITIES DEEMED TO BE ACTING IN CONCERT WITH THE ACQUIRER AND PAC ARE INELIGIBLE TO PARTICIPATE IN THE OFFER
RBI	RESERVE BANK OF INDIA
REGISTRAR TO OFFER	TSR DARASHAW LIMITED
REGULATIONS	SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THERETO UPTO THE PUBLIC ANNOUNCEMENT
RTGS	REAL TIME GROSS SETTLEMENT
SEBI	SECURITIES AND EXCHANGE BOARD OF INDIA
SEBI DIP GUIDELINES	SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000
SEBI TAKEOVER CODE / SEBI (SAST) REGULATIONS	SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS, CIRCULARS ISSUED
SFAS	STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS
SHARE(S)	FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS.10/- EACH OF TTML
SHAREHOLDER(S)	EQUITY SHAREHOLDER OF TTML HOLDING FULLY PAID UP EQUITY SHARE OF RS. 10/- EACH
SPECIFIED DATE	DECEMBER 5, 2008
TARGET COMPANY / TTML	TATA TELESERVICES (MAHARAHSTRA) LIMITED
TSL	TATA SONS LIMITED ("PAC")
TTSL	TATA TELESERVICES LIMITED
UAS LICENCES / UASL	UNIFIED ACCESS SERVICE LICENCE
US$ / USD	UNITED STATES OF AMERICA DOLLAR
W-CDMA	WIDEBAND CODE DIVISION MULTIPLE ACCESS
WTTIL	WIRELESS TT INFO SERVICES LIMITED

Rupee Translation: Certain financial details contained in this Letter of Offer are denominated in JPY. The Rupee equivalent quoted in case of JPY is calculated at the quoted INR/100JPY exchange rate as on November 11, 2008, namely 100 JPY = Rs. 48.57 (Source: www.rbi.org) and the Rupee equivalent of US$ is calculated at the quoted US$/INR exchange rate as on November 14, 2008, namely, 1 US$ = Rs. 48.24.

In this Letter of Offer, any discrepancies in any table between the total and sum of amounts listed are due to rounding off.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TATA TELESERVICES (MAHARASHTRA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRER AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PAC DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, LAZARD INDIA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 27, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Offer is being made to the equity shareholders of Tata Teleservices (Maharashtra) Limited ("TTML" or "Target Company") by the Acquirer and the PAC as a result of indirect acquisition by the Acquirer of more than 15% (taken together with the shares in TTML held by the PAC) in the issued and paid-up share capital of the Target Company and the Acquirer indirectly acquiring an ability to influence 37.65% of the voting rights in the Target Company in terms of Regulation 10; and as a result of indirect acquisition of control by the Acquirer in the Target Company under the provisions of the Shareholders Agreement ("SHA") to be entered into between the Acquirer, PAC and TTSL (collectively referred to as "Parties") in terms of Regulation 12 of the SEBI (SAST) Regulations.

3.1.2 NTT DOCOMO, INC. ("DOCOMO" or "Acquirer"), a company incorporated under the laws of Japan having its registered office at Sanno Park Tower, 11-1 Nagata-cho 2-chome, Chiyoda-ku, Tokyo, Japan 100-6150, along with Tata Sons Limited ("PAC" or "TSL"), a company incorporated under the Companies Act 1913 having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001, India, are making this offer ("Offer") to the Shareholders of TTML to acquire from them upto 384,241,919 fully paid-up equity shares of Rs. 10/- each ("Offer Size") representing 20 % of the Emerging Voting Capital of TTML, at a price of Rs. 24.70 (Rupees Twenty four and seventy paise only) per fully paid up equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

3.1.3 DOCOMO is one of the world's leading mobile communications company. DOCOMO serves over 54 million customers, including over 47 million people subscribing to FOMATM, launched as the world's first 3G mobile service based on W-CDMA in 2001. W-CDMA is the technology platform on which 3G mobile services are provided. 3G mobile networks enable telecom operators to offer users a wider range of more advanced services while achieving greater network capacity through improved spectral efficiency. Services include wide-area wireless voice telephony, video calls, and broadband wireless data, all in a mobile environment. Additional features also include data transmission capabilities. DOCOMO also offers a wide variety of leading-edge mobile multimedia services, including i-mode™, the world's most popular mobile e-mail/Internet service, used by 48 million people. DOCOMO is listed on the Tokyo, London and New York stock exchanges.

3.1.4 TSL is the principal investment holding company of the Tata Companies and it has significant shareholding in the share capital of major operating companies that it has promoted. TSL is an unlisted company.

3.1.5 On November 12, 2008 the Acquirer entered into a Share Subscription Agreement ("SSA") with Tata Teleservices Limited ("TTSL") and the PAC, subject to receipt of requisite approvals (for details of requisite approvals refer Paragraph 3.1.9, below) and subject to fulfillment by parties of agreed conditions precedent to closing (for details of conditions precedent refer Paragraph 3.1.10, below), to acquire 20% of the fully diluted equity share capital of TTSL, after giving effect of the Scheme of Arrangement and Restructuring (for details of Scheme of Arrangement and Restructuring refer Paragraph 3.1.11, below) approved by Hon'ble Delhi High Court and after considering dilutive effect of outstanding compulsorily convertible debentures and warrants ("Adjustments"). In other words, TTSL will issue fresh equity shares to DOCOMO so that DOCOMO's holds 20% of TTSL's equity share capital after the issue, that is, 20% of its fully diluted equity share capital. The Acquirer also proposes to enter into a Share Purchase Agreement ("SPA") with TSL, various Tata Companies and other persons/entities holding shares in TTSL (collectively referred to as "Sellers") to acquire a further 6% of the fully diluted equity share capital of TTSL after Adjustments. (SSA and SPA collectively referred to as the "Acquisition"). In other words, equity shares constituting 6% of the fully diluted equity share capital of TTSL would be transferred from the present shareholders to DOCOMO.

- Further, a SHA is to be entered into between the Parties, simultaneously with the Acquirer acquiring approx 26% of TTSL's fully diluted equity share capital. SHA would govern the inter-se rights amongst the

Parties.The SHA would be executed after receipt of the CCEA approval (FIPB has referred the application filed by DOCOMO to CCEA for its approval, as per the FIPB press release dated January 28, 2009) on the date of closing of the TTSL transaction.

- TTSL is an unlisted company and holds 37.65% of the issued and paid-up equity share capital of the Target Company. TSL is the holding company of TTSL and is one of the Promoters of the Target Company and directly holds 20.72% of the Target Company's paid-up equity share capital.
- The Acquisition by DOCOMO could be regarded as an indirect acquisition of shares in the Target Company. Together with the shares held by the PAC in the Target Company the Acquisition results in the Acquirer directly and indirectly having greater than 15% of the issued and paid-up equity share capital of the Target Company. The Acquirer will also acquire veto rights on important matters in TTSL through the proposed SHA, which would result in the Acquirer indirectly acquiring an ability to influence 37.65% of the voting rights in the Target Company. Accordingly, this Offer is being made in terms of Regulation 10 of SEBI (SAST) Regulations.
- Pursuant to the provisions of the proposed SHA and the Acquisition, the Acquirer together with the PAC would indirectly acquire control over the management and policy decisions of the Target Company (to the extent applicable under the provisions of the SHA) and as a result this Offer is also being made under Regulation 12 of the Regulations. In view of the above, this Offer is being made in terms of Regulation 10 and Regulation 12 of the SEBI (SAST) Regulations to acquire upto 384,241,919 fully paid up equity shares ("Shares") of the face value of Rs. 10 each, representing in aggregate 20% of the Emerging Voting Capital of the Target Company (as defined in Paragraph 7.7).
- The transaction contemplated under the signed SSA, proposed SPA, proposed SHA and this Offer are together referred to as the "Transaction"

3.1.6 Details of SPA whereby additional 253,163,941 shares, i.e. 6% of fully diluted share capital of TTSL is proposed to be acquired by DOCOMO are as under:

- On December 5, 2008 DOCOMO and TSL executed the SPA whereby TSL agreed to transfer to DOCOMO 117,084,369 equity shares and such additional number of equity shares in TTSL so as to enable DOCOMO to acquire a total of 253,163,941 equity shares in TTSL. As on the date of this Letter of Offer SPAs with the other shareholders in TTSL were not executed. SPAs with the other shareholders in TTSL would be executed after receipt of the CCEA approval (FIPB has stated, that it has referred the application filed by DOCOMO to CCEA for its approval, in the FIPB press release dated January 28, 2009).
- It is proposed that the various shareholders in TTSL would transfer shares under the SPA to DOCOMO as per the following table (TSL has undertaken to make good any shortfall):

Shareholder	Shares held as on Nov 14 (PA Date)		Shares to be sold under SPA	
	Number of Shares	%	Number of Shares	%
Tata Sons Ltd.	2,881,317,286	45.40%	143,941,944 (Refer Note 2)	3.41%
Tata Communications Ltd.	952,812,000	15.01%	36,542,378	0.87%
The Tata Power Co.Ltd.	711,360,000	11.21%	27,282,177	0.65%
Tata Industries Limited	433,253,600	6.83%	18,767,134	0.44%
Sterling Infotech Limited	540,800,000	8.52%	20,740,837	0.49%
Aranda Investments (Mauritius) Pte. Ltd.	607,776,079	9.58%	(Refer Note 2)	0.00%
Tata Steel Ltd.	136,800,456	2.16%	5,246,590	0.12%
Tata Motors Ltd. (Refer Note 1)	22,880,208	0.36%	-	0.00%
Tata Chemicals Ltd.	2,613,561	0.04%	100,236	0.00%
Kalimati Investment Co.Ltd.	3,333,000	0.05%	127,828	0.00%
Tata Investment Corpn.Ltd.	10,400,000	0.16%	414,817	0.01%
Individuals	43,806,126	0.69%	(Refer Note 2)	
TOTAL	**6,347,152,316** (Refer Note 3)	**100.00%**	**253,163,941**	**6.00%**

Note 1 Since sold

Note 2 Numer of shares sold by TSL, as shown in the above table, is more than 117,084,369 equity shares as some of the shareholders in TTSL are not selling and some of the sundry holders are selling through TSL.

Note 3 The paid up equity share capital of TTSL reduced by way of reduction in the number of equity shares of Rs. 10 each from 6,347,152,316 shares to 3,173,576,158 shares resulting in the total reduction of the paid up equity share capital of TTSL from Rs. 63,471,523,160 comprising of 6,347,152,316 equity share of Rs. 10 each to Rs. 31,735,761,580 comprising of 3,175,376,158 equity shares of Rs. 10 each. However there was no change in percentage (%) of shareholding of shareholders due to the restructuring (Refer Paragraph 3.1.11 for details)

3.1.7 The SHA is proposed to be executed on date of closing of the TTSL transaction. Salient details of the inter-se rights contemplated under the SHA are:

- TTSL Board Representation: Proportionate representation on the Board of Directors of TTSL i.e. 3 out of 12 Directors post Transaction will be DOCOMO nominees
- Representation on the Board Committees of TTSL: DOCOMO to have representation on all the committees of the Board of TTSL as long as it holds more than 8.34% equity stake.
- DOCOMO will have the customary affirmative rights on certain issues including business plan of TTSL, financing plans, declaration of dividends, accounting policies, reorganization of business/company etc
- Procedures for transfer of TTSL shares by the parties to the SHA
- Provisions customary to transactions of strategic investment of TTSL
- The proposed SHA also contemplates certain veto rights to DOCOMO. The details are as under:
  - The veto rights results in DOCOMO acquiring ability to influence TTSL's holding of 37.65% of the voting rights in TTML at both the shareholder and board of director levels of TTSL. This would be exercised through the functioning of the Executive Committee of TTSL, which would have the responsibility to formulate policies and views on the operations of TTSL and its investments - including TTML, and to make recommendations to the TTSL board. DOCOMO would have representation on the Executive Committee as long as it holds more than 8.34% in TTSL. The board of TTSL will have ultimate decision-making authority over fundamental issues relating to TTSL's management or ownership of its 37.65% interest in TTML
  - Further, DOCOMO and TSL have agreed to exercise board level, shareholder level and contractual rights in TTML in accordance with the recommendation of the Executive Committee of TTSL and, with respect to fundamental issues, in accordance with decisions of the Board of Directors of TTSL
  - DOCOMO, as a result of the aforementioned veto rights, has not acquired more than 37.65% of the voting rights (i.e. the voting rights held by TTSL in Target Company)

3.1.8 The SSA, the proposed SPA and the proposed SHA does not contain any restrictive covenants or any restrictive clauses which may be prejudicial to the interests of the shareholders in TTML

3.1.9 Requisite Approvals for investment by DOCOMO in TTSL:

- Under the present FDI Policy of the Government of India and the FEMA and regulations framed thereunder, TTSL is permitted to have forty nine per cent (49%) foreign investment in its share capital by non-residents under the automatic route.
- TTSL is an operating company undertaking substantial business operations. The present foreign direct investment in TTSL is only nine point five eight per cent (9.58%). Thus even with the additional acquisition by DOCOMO of 1,097,043,742 equity shares (amounting to twenty six per cent (26%) of the equity share capital of TTSL on a fully diluted basis) of TTSL, the amount of foreign direct investment would still be within the limit prescribed under the automatic route. TTSL also has certain downstream subsidiaries. TTSL has submitted that it is not a 'foreign owned Indian holding company' so as to attract the provisions of Press Note 9 (1999 Series) dated April 12, 1999 ("Press Note 9") for downstream investments by TTSL. In view thereof and for the issuance and sale of equity shares to DOCOMO, whilst DOCOMO believes that no prior approval of FIPB is required to receive any foreign direct investment in TTSL and the provisions of Press Note 9 are not applicable to this transaction, by way of abundant caution, DOCOMO has approached FIPB, to approve the transaction if FIPB deems it appropriate and/or required.

3.1.10 Conditions precedent for DOCOMO's investment into TTSL:

- Receipt of FIPB approval by DOCOMO for investment in TTSL and TTML Open Offer - The FIPB vide a press release dated January 28, 2009 stated that the application made by DOCOMO has been recommended to CCEA, as the investment involved in the proposal is above Rs 600 crores
- Implementation of the Scheme of Capital Restructuring in TTSL - The Scheme of Restructuring was filed with the Delhi High Court in October 2007. The Delhi High Court has approved it on November 7, 2008. The Scheme has become effective when High Court order has been filed with the Registrar of Companies on December 4, 2008
- Receipt of approval from the lenders of TTSL - Approvals from Indian lenders have been received and those by foreign lenders are in process
- No Material Adverse Effect
- Receipt of executed copy of Wireless TT Infoservices Limited (WTTIL) contracts by DOCOMO - The infrastructure business of TTSL is organized under its subsidiary company - Wireless TT Info Services Limited ("WTTIL"). TTSL is in process to induct a strategic partner in WTTIL for expansion of its infrastructure business and has entered into agreement, subject to statutory approvals, with such strategic partner. The contracts with such strategic partner which satisfy certain conditions are required to be made available to DOCOMO.

- Achievement by TTSL of a positive net asset value (Networth)
- Approval of the shareholders of TTSL, under section 81 (1A) of the Companies Act, 1956 for issuance of fresh shares to DOCOMO representing 20% of paid-up capital of TTSL on Fully Diluted Basis - This approval has been obtained

3.1.11 Details about the TTSL scheme of arrangement and restructuring:

- The Scheme of Restructuring was filed with the Delhi High Court in October 2007. The Delhi High Court has approved it on November 7, 2008. The High Court order has been filed with the Registrar of Companies on December 4, 2008. With effect from December 4, 2008, the Scheme has become effective and equity share capital of TTSL was reduced to Rs 3173,57,61,580 comprising of 317,35,76,158 equity shares of Rs 10/- each.
- The salient features of the Scheme are as under:
  - The debit balance of the profit and loss account and unabsorbed depreciation of TTSL written off against Share Premium Account, to the extent of the balance available in the Share Premium Account. Accordingly, the Share Premium Account stands reduced to that extent. The reduction in Share Premium Account effected as part of the Scheme only in accordance with Section 100 to 103 of the Companies Act, 1956. The details are as under:

Available balance in Share Premium Account	Rs. 1967,71,64,645
Less: Write off against book losses	Rs. 983,85,82,323
Less: Write off against unabsorbed depreciation	Rs. 983,85,82,322
Balance remaining in the Share premium account	NIL

  - The paid up equity share capital of TTSL reduced by way of reduction in the number of equity shares of Rs 10 each from 634,71,52,316 shares to 317,35,76,158 shares resulting in the total reduction of the paid up equity share capital of TTSL from Rs. 6347,15,23,160 comprising of 634,71,52,316 equity shares of Rs 10 each to Rs. 3173,57,61,580 comprising of 317,35,76,158 equity shares of Rs 10 each. Therefore, an amount of Rs. 3173,57,61,580 reduced from the accumulated debit balance in the Profit and Loss Account and unabsorbed depreciation of TTSL from the amount remaining after the deduction mentioned above.
  - Since this reduction in paid up equity share capital is effected by reduction in number of shares (number of shares being reduced to half) there would be no change in the shareholding pattern or voting rights in TTSL
  - TTSL holds 71,43,17,891 equity shares of face value of Rs 10 each in TTML. These shares are classified as 'Trade Investments' in the books of accounts of TTSL and are valued at Rs. 387,05,95,103 being the cost of acquisition. This investment was revalued at Rs. 28.50 per share (being average of market prices on NSE during the six months prior to filing of the Scheme in the Delhi High Court - i.e. for the period 'April 2007 to September 2007') and an amount of Rs. 1648,74,64,791 was reduced from the accumulated debit balance in the profit and loss account and unabsorbed depreciation of TTSL.

● Original Value of Investment	Rs. 387,05,95,103
● Revalued investment	Rs. 2035,80,59,894
● Difference between original value and revalued valuation	Rs. 1648,74,64,791

3.1.12 Under the SSA it has been agreed that each of the Acquirer and the PAC shall acquire and pay for 50% of the Shares validly tendered in the Offer. However, before the closure of the Offer if the Acquirer so desires it shall have the option to acquire and pay for more than 50% and upto 100% of the validly tendered Shares from and out of the portion reserved for the PAC.

3.1.13 This Offer is being made by the Acquirer and PAC as a result of indirect acquisition of more than 15% in the issued and paid-up share capital of the Target Company and the Acquirer indirectly acquiring an ability to influence 37.65% of the voting rights in the Target Company in terms of Regulation 10; and as a result of indirect acquisition of control by the Acquirer in the Target Company under the provisions of the SHA in terms of Regulation 12 of the SEBI (SAST) Regulations.

3.1.14 In view of the above, the Offer is a mandatory open offer under Regulation 10 and Regulation 12 of the SEBI (SAST) Regulations.

3.1.15 Acquirer and PAC are said to be acting in concert on account of the inter-se rights of the Parties under the SHA. Due to the applicability of Regulation 2(1)(e)(2) there could be certain entities deemed to be persons acting in concert with the Acquirer and the PAC. However, for the purposes of this Offer, other than TSL no other person is acting in concert with the Acquirer.

3.1.16 Other than as stated in this Letter of Offer, the Acquirer and the PAC have neither acquired nor have been allotted any Shares of the Target Company in the last 12 months before the date of the Public Announcement. As on the date of the Public Announcement, the Acquirer and the PAC did not hold any Shares of the Target Company except TSL directly holds 393,065,478 equity shares representing 20.72% of the issued and paid up equity share capital of the Target Company as of the date of the Public Announcement. TSL along with other Tata Companies hold 65.64% in the issued and paid up equity share capital of the Target Company. TSL has complied with all requirements under SEBI (SAST) Regulations with regard to its earlier acquisition of shares in TTML (Refer paragraph 5.7 and paragraph 7.17 for further details)

3.1.17 Neither the Acquirer nor the PAC have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act, 1992 or any other regulations made under the SEBI Act, 1992.

3.1.18 The applicable provisions of Chapter II of the SEBI Takeover Code, vis-à-vis the Target Company have been complied with by the Acquirer and the PAC.

3.1.19 Pursuant to the Acquisition and under the terms of the proposed SHA, the Acquirer and the PAC will be in control of the Target Company. Further, the Acquirer and the PAC reserve the right to reconstitute the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. It may be noted that although the Acquirer has significant rights under the SHA which enable the Acquirer to influence TTSL's holding of 37.65% of the voting rights in TTML, the Acquirer is not entitled to appoint directors on the Board of TTML at its sole discretion. Further, as on date of this Letter of Offer the Acquirer does not have any director on the Board of TTML.

3.2 Details of the Proposed Offer

3.2.1 The Public Announcement dated November 14, 2008 was published in the following newspapers, in accordance with Regulation 15 of the SEBI Takeover Code:

PUBLICATION	LANGUAGE	EDITIONS
Economic Times	English	All editions
Navbharat Times	Hindi	All editions
Maharashtra Times	Marathi	Mumbai

3.2.2 The Public Announcement as well as this Letter of Offer will also be available for download at the SEBI website at www.sebi.gov.in

3.2.3 DOCOMO together with TSL is making this cash offer for acquisition of upto 384,241,919 fully paid-up equity shares of Rs. 10 each of TTML from the existing shareholders of TTML representing 20% of Emerging Voting Capital of TTML, at a price of Rs. 24.70 (Rupees Twenty four and seventy paise only) per fully paid up equity share of face value Rs. 10 each payable in cash, subject to terms and conditions mentioned hereinafter. As on the date of this Letter of Offer there are no partly paid equity shares or any other instruments convertible into equity shares except the following:

- There are 13,241 Foreign Currency Convertible Bonds ("FCCBs") of USD 1,000 each outstanding, aggregating to USD 13,241,000 and optionally convertible before the maturity date June 2, 2009. If all the outstanding FCCB holders exercise their right of conversion, 2,40,11,139 equity shares would be issued to FCCB holders.
- There are 7,950 ESOP's outstanding

3.2.4 Following consummation of this Transaction (assuming full acceptance of the Offer) described in 3.1.5 above, DOCOMO and TSL together will hold upto 40.46% of Emerging Voting Capital of TTML. 40.46% is calculated as below:

Particulars	As on November 14, 2008		Post Completion of Offer	
	Number of Shares	% in TTML's current equity share capital	Number of Shares	% in TTML of Emerging Voting Capital
Number of Shares held by TSL	393,065,478	20.72%	393,065,478	20.46%
Number of Shares to be acquired under the Offer by TSL and DOCOMO (assuming 50:50)				
a. TSL			192,120,959	10.00%
b. DOCOMO			192,120,960	10.00%
TOTAL shares held by Tata Sons and DOCOMO	**393,065,478**	**20.72%**	**777,307,397**	**40.46%**

3.2.5 Neither DOCOMO nor TSL has acquired any shares in TTML via open market transactions/other purchases between the date of the Public Announcement and this letter of Offer.

3.2.6 The Offer is not conditional on any minimum level of acceptances by the Shareholders. The Acquirer and PAC will acquire all the Shares of the Target Company that are validly tendered as per terms of the Offer up to a maximum of 384,241,919 Shares.

3.2.7 No competitive bids have been made till date.

3.3 Objects of the Proposed Offer

3.3.1 This Offer is being made by the Acquirer and PAC as a result of indirect acquisition of more than 15% in the issued and paid-up share capital of the Target Company and the Acquirer indirectly acquiring an ability to influence 37.65% of the voting rights in the Target Company in terms of Regulation 10; and as a result of indirect acquisition of control by the Acquirer in the Target Company under the provisions of the SHA in terms of Regulation 12 of the SEBI (SAST) Regulations.

3.3.2 Acquisition of 26% stake in TTSL and an additional stake in TTML under this Offer would provide the Acquirer:

- Entry into the Indian telecom market, which is the fastest growing telecom market of the world with over 10 mn net additions in subscriber base for the month of September 2008
- TTSL together with TTML have a pan India presence and is the sixth largest telecom operator with a combined subscriber base of over 30 million as on September 2008
- TTSL (including TTML) currently provides telecommunication services on CDMA technology platform and have been recently allotted licenses to provide services on GSM platform as well - significant upside is expected from GSM rollout
- DOCOMO's vast experience in providing 3G services in Japan and other Asian markets would help TTSL and TTML in their future 3G initiatives
- DOCOMO already has presence in Asian telecom markets by way of investment in telecom companies in countries like Malaysia, Philippines, S. Korea, Bangladesh etc. Presence in the Indian telecom market is in line with DOCOMO's international business strategy
- House of Tatas is one of the largest and highly respected conglomerates in India and a partnership with the Tata Group provides further opportunities of cooperation between the Tata Group and NTT Group

3.3.3 Some important regulatory requirements in case of a foreign investment into an Indian telecommunication services company are as below:

- Ownership : i) Foreign investment in the Unified Access Service licensee company is allowed up to a maximum of 74%: Foreign investment of up to 49% is permitted under the automatic route i.e. without requiring the prior approval of the FIPB. Foreign investment above 49% requires FIPB approval. While approving the investment proposals, FIPB shall, among other things, take note that investment is not coming from countries of concern and/ or unfriendly entities; ii) Management control of the licensee company shall remain in Indian hands
    - The present foreign direct investment in TTML is within the permitted FDI limits. Even after the acquisition of shares by DOCOMO under the Open Offer the amount of foreign direct investment in TTML would be within the limit prescribed under the automatic route
    - Management control of TTML would remain in Indian hands even after completion of the Open Offer
- Security Conditions: i) The Chief Officer in charge of technical network operations and the Chief Security Officer should be a Indian citizen; ii) Details of infrastructure/ network diagram could be provided on a need basis only to telecom equipment suppliers/ manufacturers and the affiliate/ parents of the licensee company. Clearance from Department of Telecommunications, Government of India would be required if such information is to be provided to anybody else, iii) The majority directors on the board of the Licensee company shall be Indian citizens, and iv) The position of Chairman, Managing Director, Chief Executive Officer and/or Chief Financial Officer, if held by foreign nationals, would require security vetting by the Ministry of Home Affair.
    - All security conditions with respect to TTML would be complied with even after completion of the Open Offer.

  DOCOMO has already applied to FIPB seeking its approval for investment in TTML. TSL is an Indian company and existing shareholder in TTML and it does not need any FIPB approval for acquiring shares under the Offer. Hence, both DOCOMO and TSL have taken all steps to meet the regulatory requirements.

4. BACKGROUND OF THE ACQUIRER - NTT DOCOMO, INC. ("ACQUIRER"/ "DOCOMO")

4.1 DOCOMO is a joint stock corporation incorporated and registered under the laws of Japan in August 1991 under the name of NTT Mobile Communications Planning Co. Ltd. and in April 1992 it was renamed as NTT Mobile Communications Network, Inc. The name was changed to NTT DOCOMO, INC. on April 1, 2000.

4.2 DOCOMO is one of the world's leading mobile communications company. DOCOMO serves over 54 million customers, including 46 million people subscribing to FOMATM, launched as the world's first 3G mobile service based on W-CDMA in 2001. DOCOMO also offers a wide variety of leading-edge mobile multimedia services, including i-mode™, the world's most popular mobile e-mail/Internet service, used by 48 million people.

4.3 The registered office and corporate office of DOCOMO is located at Sanno Park Tower, 11-1 Nagata-cho 2-chome, Chiyoda-ku, Tokyo, Japan 100-6150. The contact details are - Tel: +81-3-5156-1111,+81-3-5156-1157 Fax: +81-3-5156-0204, Email: india-dcm-ml@nttdocomo.com

4.4 DOCOMO is a listed entity with its equity shares listed on the Tokyo, London and New York stock exchanges. As on the date of Public Announcement the closing price of its shares was JPY 150,100 (equivalent to Rs. 72,904 per share) on the Tokyo Stock Exchange; US$ 15.35 (equivalent to Rs. 740) on the New York Stock Exchange and JPY 168,000 (equivalent to Rs. 81,598 per share) (as on September 30, 2008) on the London Stock Exchange. DOCOMO has a market capitalization of over JPY 6,734,987 mn (equivalent to Rs 3,27,11,832 lacs).

4.5 DOCOMO's promoter company is Nippon Telegraph and Telephone Corporation ("NTT"), the holding company of NTT Group. NTT Group constitutes one of the world's leading telephone operators.

4.6 DOCOMO has no share holding in the Target Company as on the date of this Public Announcement nor does it has any relation with TSL. However, for the purposes of this Offer DOCOMO and TSL are acting in concert with each other to fulfill the obligations under the Offer.

4.7 Brief history of DOCOMO and some major events are summarized as under:

DATE	MAJOR EVENTS
1991	■ Incorporated as a joint stock company registered under the laws of Japan under the name of NTT Mobile Communications Planning Co. Ltd
1992	■ Name changed to NTT Mobile Communications Network, Inc. ■ NTT Mobile Communications Network, Inc. took over Nippon Telegraph and Telephone Corporation's mobile communications business in July
1993	■ In accordance with the agreement between NTT and the MPT, DOCOMO transferred wireless telecommunications operations (other than those in Kanto-Koshinetsu region) to its 8 regional subsidiaries
	■ Launched 800MHz digital cellular phone service in March
1994	■ Launched "CITYPHONE" 1.5GHz digital cellular phone service
1997	■ Launched "DoPa" packet data communications service
1998	■ Listed on the Tokyo Stock Exchange in october
	■ Took over Personal Handyphone System (PHS) business from NTT Personal Group
1999	■ Launched "i-mode" service in February
	■ Discontinued analog cellular phone service
2000	■ Changed corporate name to NTT DoCoMo, Inc. in April
2001	■ Launched "FOMA" service on introductory basis in May
	■ Launched "FOMA" service on fully commercialized basis in October
2002	■ Listed on the London Stock Exchange and New York Stock Exchange in March
2005	■ Launched "iD" Credit Card Brand
2006	■ Launched "DCMX" mobile credit-card service
2007	■ Discontinued "QUICKCAST" paging service
2008	■ Discontinued PHS service ■ Revealed new corporate logo and new brand statement in April ■ Discontinued "CITYPHONE" service ■ DOCOMO merged with its eight regional subsidiaries in July

4.8 The authorized share capital of DOCOMO consists of 188,130,000 equity shares. The paid up share capital of DOCOMO is JPY 949,680 million (Rs. 4,612,596 lacs) consisting of 44,870,000 equity shares. (Note: DOCOMO doesn't assign any face value to its common equity.)

4.9 Shareholding pattern of DOCOMO as on September 30, 2008 is as under:

PARTICULARS	NUMBER OF SHARES	% HOLDING
Promoters - NTT Group	27,640,000	61.6
Foreign Corporations	6,345,144	14.14
Financial Institutions	5,081,706	11.33
Individuals / Others	2,718,963	6.06
Treasury Stock	2,565,110	5.72
Other Corporations	519,077	1.16
TOTAL	**44,870,000**	**100**

Nippon Telegraph and Telephone Corporation along with its subsidiaries ("NTT Group") is the largest provider of fixed and mobile voice related services, IP/packet communications services, sales of telecommunications equipment, system integration and other telecommunications related services in Japan and operates one of the largest telephone networks in the world. NTT Group's principal businesses are regional communications, long distance and international communications, mobile communications and data communications.

NTT Group comprise of the following major companies:

COMPANY	SHAREHOLDING (as on Sep 30, 2008)	NATURE OF BUSINESS
NTT East	100%	Intra-prefectural communications services and related ancillary services
NTT West	100%	Intra-prefectural communications services and related ancillary services
NTT Communications	100%	Inter-prefectural communications services, international communications services, and related ancillary services.
NTT DOCOMO INC.	61.6%	Mobile telephone services and related ancillary services
NTT DATA	54.18%	System integration services and network system services
Other Subsidiaries		Building maintenance, real property leasing, systems development, leasing, and research and development.

Until 1986, the Government of Japan owned 100% of the issued shares of NTT Group. As on March 31, 2008, the Government of Japan held approximately 34% of the issued shares in NTT Group.

NTT Group recorded consolidated revenues of US$ 106,809 mn (equivalent to Rs 5,15,23,914 lacs) for the year ended March 31, 2008 with a net income of US$ 6,352 mn (equivalent to Rs. 30,64,160 lacs).

The shares of NTT Group are listed on the Tokyo Stock Exchange and on the Osaka, Nagoya, Fukuoka and Sapporo stock exchanges in Japan, on the New York Stock Exchange (in ADR form) and on the London Stock Exchange.

(Source of the information of NTT Group: Form 20F filed with SEC on June 30, 2008)

Details of major shareholders holding more than 2% as on the date of Public Announcement:

PARTICULARS	% HOLDING	ULTIMATE PROMOTER
Nippon Telegraph and Telephone Corporation	61.6	NTT Group
Japan Trustee Services Bank, Ltd.	2.7	Trust Account
The Master Trust Bank of Japan, Ltd.	2.09	Trust Account

4.10 As on the date of Public Announcement, DOCOMO did not hold any shares in the Target Company. DOCOMO has not acquired any stake in TTML or its subsidiaries prior to the Public Announcement for this Offer.

4.11 The provisions of Chapter II regulations of SEBI Takeover Code do not apply to DOCOMO as DOCOMO does not hold any shares in the Target Company till date.

4.12 DOCOMO has no relation with TSL. However, for the purposes of this Offer DOCOMO and TSL are acting in concert with each other to fulfill the obligations under the Offer.

4.13 The Directors of DOCOMO and their addresses as of the date of Public Announcement are as follows

Name/Designation/ Date of Appointment	Educational Qualification	Experience	Residential Address
Ryuji Yamada, President and Chief Executive Officer, June 20, 2008	Master's degree in tele communication engineering, Osaka University	Ryuji Yamada joined NTT Public Corporation in 1973. He became a Representative Director, Senior Executive Vice President of NTT in 2004. He became a Senior Executive Vice President of DOCOMO in 2007. He has served as the President and Chief Executive Officer of DOCOMO since 2008 and as a Director of DOCOMO since 2007	5-6-26, Higashi-Gotanda, Shinagawa-Ku, Tokyo, Japan
Kiyoyuki Tsujimura, Senior Executive Vice President June 20, 2008	Master's degree in physical electronic, Tokyo Institute of Technology, MBA of Massachusetts Institute of Technology	Kiyoyuki Tsujimura joined NTT Public Corporation in 1975. He became a Senior Vice President of DOCOMO in 2001, and an Executive Vice President of DOCOMO in 2004. He has served as a Senior Executive Vice President of DOCOMO since 2008, as a Managing Director of the Product & Services Division since 2005, and as a Director of DOCOMO since 2001	2-28-13, Nakamachi, Musashino City, Tokyo, Japan
Masatoshi Suzuki, Senior Executive Vice President June 20, 2008	Bachelor's degree in economics, Tohoku University	Masatoshi Suzuki joined NTT Public Corporation in 1975. He became a Senior Vice President of DOCOMO in 2004, and an Executive Vice President of DOCOMO in 2005. He has served as a Senior Executive Vice President and a Managing Director of the Global Business Division of DOCOMO since 2008 and a Director of DOCOMO since 2007	1-14-21, Soshigaya, Setagaya-Ku, Tokyo, Japan
Hiroshi Matsui, Senior Executive Vice President June 20, 2008	Bachelor's degree in law, University of Tokyo	Hiroshi Matsui joined the Ministry of Posts and Telecommunications in 1969. He became an advisor of DOCOMO in 2007. He has served as a Senior Executive Vice President and a Director of DOCOMO since 2008.	2-1-20, Takaido-Higashi, Suginami-Ku, Tokyo, Japan
Harunari Futatsugi, Executive Vice President June 20, 2008	Master's degree in engineering, Nagoya University.	Harunari Futatsugi joined NTT Public Corporation in 1976. He became a Senior Vice President of DOCOMO in 2003. He has served as an Executive Vice President of DOCOMO since 2006, as a Managing Director of the Network Division since 2007, and as a Director of DOCOMO since 2003	2-1-15, Fujitsuka, Kohoku-Ku, Yokohama City, Kanagawa, Japan

Name/Designation/ Date of Appointment	Educational Qualification	Experience	Residential Address
Bunya Kumagai, Executive Vice President, June 20, 2008	Bachelor's degree in law, Hokkaido University	Bunya Kumagai joined NTT Public Corporation in 1975. He became a Senior Vice President of DOCOMO in 2003. He became an Executive Vice President of NTT DoCoMo Tokai in 2005. He has served as an Executive Vice President of DOCOMO since 2007, as a Managing Director of the Marketing Division since 2006, and as a Director of DOCOMO since 2003	2-36-14, Zenpukuji, Suginami-Ku, Tokyo, Japan
Kazuto Tsubouchi, Executive Vice President and Chief Financial Officer June 20, 2008	Bachelor's degree in law, University of Tokyo.	Kazuto Tsubouchi joined NTT Public Corporation in 1976. He became a Senior Vice President of NTT DoCoMo Kansai in 2004. He became a Senior Vice President of DOCOMO in 2006. He has served as an Executive Vice President and Chief Financial Officer of DOCOMO since 2008, and as a Managing Director of the Accounts and Finance Department and a Director of DOCOMO since 2006	1-2-5, Shinmachi, Setagaya-Ku, Tokyo, Japan
Kaoru Kato, Executive Vice President June 20, 2008	Master's degree in electronic engineering, Nagoya Institute of Technology	Kaoru Kato joined NTT Public Corporation in 1977. He became a Senior Vice President of NTT DoCoMo Kansai, Inc. in 2002. He became an Advisor of DOCOMO in 2005. He became an Executive Vice President of NTT DoCoMo Kansai, Inc. in 2007. He served as an Executive Vice President, a Managing Director of the Corporate Strategy & Planning Department and a Director of DOCOMO since 2008	5-23-12, Akashiadai, Sanda City, Hyogo, Japan
Mitsunobu Komori, Executive Vice President June 20, 2008	Master's degree in electronic engineering, Kyoto University.	Mitsunobu Komori joined NTT Public Corporation in 1977. He became a Senior Vice President of DOCOMO in 2005. He has served as an Executive Vice President, a Managing Director of the Research and Development Division and a Director of DOCOMO since 2008	1-4-4-2909, Mita, Meguro-Ku, Tokyo, Japan

Name/Designation/ Date of Appointment	Educational Qualification	Experience	Residential Address
Takashi Tanaka, Senior Vice PresidentJune 20, 2008	Bachelor's degree in political science/ economics, Waseda University.	Takashi Tanaka joined NTT Public Corporation in 1979. He has served as a Senior Vice President and a Director of DOCOMO since 2007, and as a Managing Director of the Human Resources Management Department of DOCOMO since 2008	28-11, Chofu-Honmachi, Ota-Ku, Tokyo, Japan
Katsuhiro Nakamura, Senior Vice President June 20, 2008	Bachelor's degree in law, University of Tokyo	Katsuhiro Nakamura joined NTT Public Corporation in 1977. He became a Representative Director and Senior Vice President of NTT DoCoMo Hokkaido, Inc. in 2005. He has served as a Senior Vice President of DOCOMO since 2007, and as a Managing Director of the General Affairs Department and a Director of DOCOMO since 2008	4-25-13, Numabukuro, Nakano-Ku, Tokyo, Japan
Masao Nakamura, Member of the Board June 20, 2008	Bachelor's degree in law, University of Tokyo	Masao Nakamura joined NTT Public Corporation in 1969. He became a General Manager of the Saitama Branch of NTT in 1996. He became a Senior Vice President of DOCOMO in 1998, an Executive Vice President of DOCOMO in 1999, a Senior Executive Vice President of DOCOMO in 2002, and the President and Chief Executive Officer of DOCOMO in 2004. He has served as a Corporate Advisor since 2008 and as a Director of DOCOMO since 1998	3-13-12, Minamimachi, Nishi-Tokyo City, Tokyo, Japan
Hiroshi Tsujigami, Member of the Board June 20, 2008	Bachelor's degree in law, University of Tokyo	Hiroshi Tsujigami joined NTT Public Corporation in 1983. He became a Member of the Board of NTT Investment Partners, Inc. in 2008. He has served as a Director of DOCOMO since 2008.	2-4-19-505, Shimoochiai, Shinjyuku-Ku, Tokyo, Japan

4.14 None of the directors of DOCOMO have acquired any shares of the Target Company over the last 12 months from the date of the Public Announcement.

4.15 None of the directors/ representatives of DOCOMO are on the board of directors of the Target Company. No nominee of DOCOMO has been appointed as a director on the Board of Directors of either TTSL or TSL as on the date of this Letter of Offer.

4.16 Except as disclosed in this Letter of Offer there are no other agreements between the Acquirer and PAC in relation to the Offer / acquisition of the Shares

4.17 As a SEC (Securities and Exchange Commission, USA) registrant, DOCOMO is subject to annual financial statements audits performed in accordance with the standard of The Public Company Accounting Oversight Board, US ("PCAOB"). In addition, quarterly financial statements reviews are performed in accordance with the quarterly review standards generally accepted in Japan.

Auditors of NTT DOCOMO, INC. are KPMG AZSA & Co. The authority which regulates KPMG in Japan is Financial Service Agency ("FSA"). The Certified Public Accountants and Auditing Oversight Board ("CPAAOB") is an independent regulatory body established within FSA. CPAAOB exercises its statutory authority independently from the FSA.

4.18 Brief consolidated financials of DOCOMO are presented below (Source: Annual Reports for year ending March 31, 2008 and March 31, 2007 and half yearly review report for the period ending September 30. 2008 duly certified by the statutory auditors). Since the latest audited annual accounts are as of March 31, 2008, which is more than six months old than the date of the Public Announcement, financials as at September 30, 2008 have been disclosed. Financials as at September 30, 2008 are for a period of six months and are as per the half yearly review report duly certified by the statutory auditors. The latest financials are less than six months old as at the date of the Public Announcement

Profit and Loss Statement:

	Mar -06		Mar-07		Mar -08		Sep –08 (6 months)#	
In Yen Mn and Rs Lacs	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**
Revenues from wireless services	4,295,856	20,864,973	4,314,140	20,953,778	4,165,234	20,230,542	1,948,540	9,464,059
Revenues from equipment sales	470,016	2,282,868	473,953	2,301,990	546,593	2,654,802	319,244	1,550,568
Total Revenue	**4,765,872**	**23,147,840**	**4,788,093**	**23,255,768**	**4,711,827**	**22,885,344**	**2,267,784**	**11,014,627**
Total Expenditure	3,195,096	15,518,581	3,269,231	15,878,655	3,127,090	15,188,276	1,342,451	6,520,285
Profit before Interest, Tax, Depreciation & Amortization	**1,570,776**	**7,629,259**	**1,518,862**	**7,377,113**	**1,584,737**	**7,697,068**	**925,333**	**4,494,342**
Depreciation & Amortisation	738,137	3,585,131	745,338	3,620,107	776,425	3,771,096	348,387	1,692,116
Interest Expense (Net)	8,420	40,896	5,749	27,923	4,556	22,128	2,398	11,647
Other Income (Net)	128,084	622,104	5,168	25,101	(3,068)	(14,901)	(14,392)	(69,902)
Profit Before Tax	952,303	4,625,336	772,943	3,754,184	800,688	3,888,942	560,156	2,720,678
Taxation	341,382	1,658,092	313,679	1,523,539	322,955	1,568,592	219,397	1,065,611
Profit / (Loss) from interest in other affiliates	(364)	(1,768)	(1,941)	(9,427)	13,553	65,827	5,921	28,758
Minority Interest	(76)	(369)	(45)	(219)	(84)	(408)	(21)	(102)
Profit after Tax	**610,481**	**2,965,106**	**457,278**	**2,220,999**	**491,202**	**2,385,768**	**346,659**	**1,683,723**

Balance Sheet:

	Mar -06		Mar-07		Mar -08		Sep –08 (6 months)#	
In Yen Mn and Rs Lacs	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**	**JPY Mn**	**RS LACS**
Sources of Funds								
Common Stock	949,680	4,612,596	949,680	4,612,596	949,680	4,612,596	949,680	4,612,596
Other Paid in Capital	1,311,013	6,367,590	1,135,958	5,517,348	948,571	4,607,209	948,571	4,607,209
Retained Earnings	2,212,739	10,747,273	2,493,155	12,109,254	2,793,814	13,569,555	3,038,166	14,756,372
Other Reserves	(421,415)	(2,046,813)	(417,490)	(2,027,749)	(415,569)	(2,018,419)	(490,554)	(2,382,621)
Net Worth	**4,052,017**	**19,680,647**	**4,161,303**	**20,211,449**	**4,276,496**	**20,770,941**	**4,445,863**	**21,593,557**
Long term loans	943,821	4,584,139	790,823	3,841,027	698,735	3,393,756	795,393	3,863,224
Minority Interest	1,120	5,440	1,164	5,654	1,288	6,256	1,600	7,771
Total	**4,996,958**	**24,270,225**	**4,953,290**	**24,058,130**	**4,976,519**	**24,170,953**	**5,242,856**	**25,464,552**
Uses of Funds								
Net tangible assets	2,777,454	13,490,094	2,900,653	14,088,472	2,834,607	13,767,686	2,818,049	13,687,264
Goodwill on Consolidation	141,094	685,294	147,821	717,967	158,889	771,724	157,821	766,537
Investments	531,945	2,583,657	437,832	2,126,550	536,849	2,607,476	531,514	2,581,563
Net Current Assets	558,459	2,712,435	568,988	2,763,575	533,465	2,591,040	755,839	3,671,110
Other Assets	988,006	4,798,745	897,996	4,361,567	912,709	4,433,028	979,633	4,758,077
Total	**4,996,958**	**24,270,225**	**4,953,290**	**24,058,130**	**4,976,519**	**24,170,953**	**5,242,856**	**25,464,552**

Other Financial Data:

	Mar -06		Mar-07		Mar -08		Sep –08 (6 months)#	
Dividend Pay out % ***	29.18%		38.29%		41.87%		-	
Earnings per Share – Basic (Yen/Rs)	13,491	6,553	10,396	5,049	11,391	5,533	8,175	3,970
Return On Net Worth %*	15.1%		11.0%		11.5%		15.6%#	
Book Value Per share (Yen/Rs.)**	91,109	44,252	95,457	46,363	100,321	48,726	NA	NA

#Based on half yearly review report (Apr - Sep 08), duly certified by the statutory auditors

*Return has been calculated as Profit after Tax / Net Worth

** Book Value per share has been calculated as Net Worth/ N of basic shares,

*** Dividend Payout % - Dividend / Net Income

#Annualized return on net worth

4.19 Major contingent liabilities and commitments (Source: Annual Report 2008 and Form 20F filed with SEC on June 26, 2008 - information in 4.18, 4.19 and 4.20 is extracted from the Annual Report 2008 and 20F filing with SEC by DOCOMO. Annual Report and Form 20F may be referred to for full details on the items discussed under these paragraphs). The sum of major contingent liabilities and commitments as on March 31, 2008 amounted to JPY 149,608 mn (equivalent to Rs 726, 646 lacs). The details are as under -

- **Purchase Commitments:** DOCOMO has entered into various contracts for the purchase of property, plant and equipment, inventories (primarily handsets) and services and the acquisition of equity securities. Commitments outstanding as of March 31, 2008 amounted to JPY51,746 mn (equivalent to Rs. 251,330 laqs) (of which JPY3,632 mn (equivalent to Rs. 17,641 lacs) are with related parties) for property, plant and equipment, JPY22,029 mn (equivalent to Rs 106,995 lacs) (of which none are with related parties) for inventories and JPY44,920 mn (equivalent to Rs. 218,176 lacs) (of which JPY849 mn (equivalent to Rs. 4,124 lacs) are with related parties) for the other purchase commitments.

- **Guarantees:** DOCOMO enters into agreements in the normal course of business that provide guarantees for counterparties. These counterparties include subscribers, related parties, foreign wireless telecommunications service providers and other business partners. While the most of guarantees provided for subscribers relate to product defects of cellular phone handsets sold by DOCOMO, DOCOMO is provided with similar guarantees by the handset vendors. Though the guarantees or indemnifications provided in other transactions than with the subscribers are different in each contract, the likelihood of almost all of the performance of these guarantees or indemnifications are remote and amount of payments DOCOMO could be claimed for is not specified in almost all of the contracts. Historically, DOCOMO has not made any significant guarantee or indemnification payments under such agreements. DOCOMO estimates the estimated fair value of the obligations related to these agreements is not significant. Accordingly, no liabilities were recognized for these obligations as of March 31, 2008.

- **Litigations:** As of March 31, 2008, DOCOMO had no litigation or claims outstanding, pending or threatened against which in the opinion of management would have a materially adverse effect on its results of operations or financial position.

- **Minimum payment under various leases:** DOCOMO leases certain facilities and equipment in the normal course of business under capital leases or operating leases. Future minimum capital lease payments and rental payments under operating leases by year as of March 31, 2008 were as follows:

Year ending March 31	Lease Payments		Rental Payments	
	Million of Yen	Rs in Lacs	Million of Yen	Rs in Lacs
2009	3,036	14,746	2,152	10,452
2010	2,332	11,327	1,870	9,083
2011	1,591	7,727	1,521	7,387
2012	882	4,284	1,424	6,916
2013	382	1,855	1,424	6,916
Thereafter	61	296	14,238	69,154
Total minimum lease payments	**8,284**	**40,235**	**22,629**	**109,909**

4.20 Reasons for Rise /Fall in Total Income (Source: Annual Report 2008 and 2007)

- **2008 vs. 2007 (year ending March 31):** An increase in packet communications revenues was offset by a decline in voice revenues, and as a result, wireless services revenues decreased by JPY 148.9 bn (equivalent to Rs. 7,23,207 lacs), or 3.5%, to JPY 4165.2 bn (equivalent to Rs. 2,02,30,376 lacs). Packet communications revenues increased by JPY 131.6 bn (equivalent to Rs. 6,39,181 lacs), or 10.6%, with support from growth in packet ARPU. However, voice revenues decreased to JPY 2645.1 bn (equivalent to Rs. 1,28,47,251 lacs), down 10.0%, or JPY 295.3 bn (equivalent to Rs. 14,34,272 lacs), year-on-year, due principally to broad user acceptance of new discount services introduced in August 2007 and to the impact of a change in the previous year in the method of making estimates regarding revenue recognition of the portion of Nikagetsu Kurikoshi (two-month carryover) allowance that are estimated to expire. Equipment sales totaled JPY 546.6 bn (equivalent Rs. 26,54,836 lacs), up 15.3%, or JPY 72.6 bn (equivalent to Rs. 3,52,618 lacs), year-on-year due to the introduction of a new handset sales model called Value Course in November 2007, which more than offset a decrease in the number of handset sold.
- **2007 vs. 2006 (year ending March 31):** Wireless services revenues increased by JPY 18.3 bn (equivalent to Rs. 88,883 lacs), or 0.4.%, to JPY 4,314.1 bn (equivalent to Rs. 2,09,53,584 lacs), due to an increase in the number of the cellular subscriptions and the recognition of the portion of "Nikagetsu Kurikoshi" allowance. While the strategic billing arrangements introduced in the past had a negative effect, efforts to strengthen the business overall were successful, and even after the introduction of MNP, the churn rate was maintained at a low level (0.78% for the entire year).

4.21 Significant Accounting Policies of DOCOMO (Source: Annual Report 2008) -

- **Principles of consolidation:** The consolidated financial statements include accounts of DOCOMO and its majority-owned subsidiaries. All significant inter-company balances and transactions are eliminated in consolidation.
- **Use of estimates:** The preparation of DOCOMO's consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. DOCOMO has identified the following areas where it believes estimates and assumptions are particularly critical to the consolidated financial statements. These are determination of useful lives of property, plant and equipment, internal use software and other intangible assets, impairment of long-lived assets, impairment of investments, realization of deferred tax assets, measurement of pension liabilities and revenue recognition.
- **Cash and cash equivalents:** DOCOMO considers cash in banks and short-term highly liquid investments with original maturities of 3 months or less at the date of purchase to be cash and cash equivalents.
- **Short-term investments:** The highly liquid investments, which have original maturities of longer than 3 months at the date of purchase and remaining maturities of 1 year or less at the end of fiscal year, are considered to be short-term investments.
- **Allowance for doubtful accounts:** The allowance for doubtful accounts is principally computed based on the historical bad debt experience plus the estimated uncollectible amount based on the analysis of certain individual accounts, including claims in bankruptcy.
- **Inventories:** Inventories are stated at the lower of cost or market. The cost of equipment sold is determined by the first-in, first-out method. Inventories consist primarily of handsets and accessories. DOCOMO evaluates its inventory for obsolescence on a periodic basis and records valuation adjustments as required.
- **Property, plant and equipment:** Property, plant and equipment are stated at cost and include interest cost incurred during construction. Property, plant and equipment under capital leases are stated at the present value of minimum lease payments. Depreciation is computed by the declining balance method at rates based on the estimated useful lives of the respective assets with the exception of buildings, which are depreciated on a straight-line basis. Useful lives are determined at the time the asset is acquired and are based on its expected use, past experience with similar assets and anticipated technological or other changes. If technological or other changes occur more or less rapidly or in a different form than anticipated or the intended use changes, the useful lives assigned to these assets are adjusted as appropriate. Property, plant and equipment held under capital leases and leasehold improvements are amortized using either the straight-line method or the declining-balance method, depending on the type of the assets, over the shorter of the lease term or estimated useful life of the asset. The estimated useful lives of major depreciable assets are as follows:

Major wireless telecommunications equipment	8 to 16 years
Steel towers and poles for antenna equipment	30 to 40 years
Reinforced concrete buildings	38 to 50 years
Tools, furniture and fixtures	4 to 15 years

- **Capitalized interest:** DOCOMO capitalizes interest related to the construction of property, plant and equipment over the period of construction. DOCOMO also capitalizes interest associated with the development of internal-use software. DOCOMO amortizes such capitalized interest over the estimated useful lives of the related assets.
- **Investments in affiliates:** The equity method of accounting is applied to investments in affiliates where DOCOMO owns an aggregate of 20% to 50% and/or is able to exercise significant influence. Under the equity method of accounting, DOCOMO records its share of earnings and losses of the affiliate and adjusts its carrying amount. For investments of less than 20%, DOCOMO periodically reviews the facts and circumstances related thereto to determine whether or not it can exercise significant influence over the operating and financial policies of the affiliate and therefore should apply the equity method of accounting. For investees accounted for under the equity method whose fiscal year ends are December 31, DOCOMO records its share of income or losses of such investees with a 3-month lag in its consolidated statements of income and comprehensive income. DOCOMO evaluates the recoverability of the carrying value of its investments in affiliates, which includes investor level goodwill, when there are indicators that a decline in value below its carrying amount may be other than temporary. In performing its evaluations, DOCOMO utilizes various information including cash flow projections, independent valuations and, as applicable, quoted market values to determine recoverable amounts and the length of time an investment's carrying value exceeds its estimated current recoverable amount. In the event of a determination that a decline in value is other than temporary, a charge to earnings is recorded for the loss, and a new cost basis in the investment is established.
- **Marketable securities and other investments:** Marketable securities consist of debt and equity securities. DOCOMO accounts for such investments in debt and equity securities in accordance with SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities". Management determines the appropriate classification of its investment securities at the time of purchase. DOCOMO periodically reviews the carrying amounts of its marketable securities for impairments that are other than temporary. If this evaluation indicates that a decline in value is other than temporary, the security is written down to its estimated fair value. The impairment is charged to earnings and a new cost basis for the security is established. To determine whether impairment is other than temporary, DOCOMO considers whether it has the ability and intent to hold the investment until a market price recovery and considers whether evidence indicating the cost of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end, forecasted performance of the investee and the general market condition in the geographic area or industry the investee operates in. Equity securities held by DOCOMO, whose fair values are readily determinable, are classified as available-for-sale. Available-for-sale equity securities are carried at fair value with unrealized holding gains or losses, net of applicable taxes, included as a component of "Accumulated other comprehensive income" in shareholders' equity. Realized gains and losses are determined using the moving-average method and are reflected currently in earnings. Debt securities held by DOCOMO, which DOCOMO has the positive intent and ability to hold to maturity, are classified as held-to-maturity, and the other debt securities that may be sold before maturity are classified as available-for- sale securities. Held-to-maturity debt securities are carried at amortized cost. Available-for-sale debt securities are carried at fair value with unrealized holding gains or losses, net of applicable taxes, included as a component of "Accumulated other comprehensive income" in shareholders' equity. Realized gains and losses are determined using the first-in, first-out cost method and are reflected currently in earnings. Debt securities with original maturities of 3 months or less at the date of purchase are recorded as "Cash and cash equivalents", while those with original maturities of longer than 3 months at the date of purchase and remaining maturities of 1 year or less at the end of fiscal year are recorded as "Short-term investments" in the consolidated balance sheets.
- **Goodwill and other intangible assets:** Goodwill is the excess of the acquisition cost of businesses over the fair value of the identifiable net assets acquired. Other intangible assets primarily consist of software for telecommunications network, internal-use software, software acquired to be used in manufacture of handsets, customer related assets and rights to use certain telecommunications facilities of wireline operators. DOCOMO accounts for goodwill and other intangible assets in accordance with SFAS No. 142 "Goodwill and Other Intangible Assets". Accordingly, DOCOMO does not amortize either goodwill, including investor level goodwill related to the investments accounted for under the equity method, or other intangible assets acquired in a purchase business combination and determined to have an indefinite useful life. However, (1) goodwill, except those related to equity method investments, and (2) other intangible assets that have indefinite useful lives are tested for impairment at least annually. Intangible assets that have finite useful lives, consisting primarily of software for telecommunications network, internal-use software, software acquired to be used in manufacture of handsets, customer related assets and rights to use telecommunications facilities of wireline operators are amortized on a straight-line basis over their useful lives. Goodwill related to equity method investments is tested for impairment as a part of the other than temporary impairment assessment of the equity method investment as a whole in accordance with Accounting Principles Board Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock".

- **Impairment of long-lived assets:** DOCOMO's long-lived assets other than goodwill, such as property, plant and equipment, software and intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets". Recoverability of assets to be held for use is evaluated by a comparison of the carrying amount of the asset with future undiscounted cash flows expected to be generated by the asset or asset group. If the asset (or asset group) is determined to be impaired, the loss recognized is the amount by which the carrying value of the asset (or asset group) exceeds its fair value as measured through various valuation techniques, including discounted cash flow models, quoted market value and third-party independent appraisals, as considered necessary.
- **Hedging activities:** DOCOMO accounts for derivative financial instruments and other hedging activities in accordance with SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities", as amended by SFAS No. 138, No. 149 and No. 155. All derivative instruments are recorded on the consolidated balance sheets at fair value. The recorded fair values of derivative instruments represent the amounts that DOCOMO would receive or pay to terminate the contracts at each fiscal year end.
- **Employees' retirement benefit plans:** Effective March 31, 2007, in accordance with SFAS No. 158 "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of SFAS No. 87, 88, 106, and 132R", DOCOMO recognizes the funded status of its benefit plan, measured as the difference between the plan assets at fair value and the benefit obligation, in the consolidated balance sheets. Changes in the funded status are recognized as changes in comprehensive income (loss) during the fiscal period in which such changes occur. Pension benefits earned during the year as well as interest on projected benefit obligations are accrued currently. Prior service cost and net losses in excess of 10% of the greater of the projected benefit obligation or the fair value of plan assets, both of which are included in "Accumulated other comprehensive income", are amortized over the expected average remaining service period of employees on a straight-line basis.
- **Revenue recognition:** DOCOMO primarily generates revenues from two sources-wireless services and equipment sales. These revenue sources are separate and distinct earnings processes. Wireless service is sold to the subscriber directly or through thirdparty resellers who act as agents, while equipment, including handsets, are sold principally to agent resellers. Wireless service revenues primarily consist of basic monthly charges, airtime charges and fees for activation. Basic monthly charges and airtime charges are recognized as revenues as service is provided to the subscribers. DOCOMO's monthly billing plans for cellular (FOMA and mova) services generally include a certain amount of allowances (free minutes and/or packets), and the used amount of the allowances is subtracted from total usage in calculating the airtime revenue from a subscriber for the month. Equipment sales are recognized as revenues when equipment is accepted by the agent resellers and all inventory risk is transferred from DOCOMO. Certain commissions paid to agent resellers are recognized as a reduction of revenue upon delivery of the equipment to such agent resellers in accordance with Emerging Issues Task Force ("EITF") Issue No. 01-9 "Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)". Non-recurring upfront fees such as activation fees are deferred and recognized as revenues over the estimated average period of the subscription for each service. The related direct costs are also deferred to the extent of the related upfront fee amount and are amortized over the same period.
- **Selling, general and administrative expenses:** Selling, general and administrative expenses primarily include commissions paid to sales agents, expenses associated with DOCOMO's customer loyalty programs, advertising expenses, as well as other expenses such as payroll and related benefit costs of personnel not directly involved in the operations and maintenance process. Commissions paid to sales agents represent the largest portion of selling, general and administrative expenses.
- **Income taxes:** Income taxes are accounted for in accordance with SFAS No. 109, "Accounting for Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.
- **Earnings per share:** Basic earnings per share include no dilution and are computed by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding for the period. Diluted earnings per share assume the dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock. DOCOMO has no dilutive securities outstanding for the year ended March 31, 2006, 2007 and 2008, and therefore there is no difference between basic and diluted earnings per share.

- **Foreign currency translation:** All asset and liability accounts of foreign subsidiaries and affiliates are translated into Japanese yen at appropriate year-end current rates and all income and expense accounts are translated at rates that approximate those rates prevailing at the time of the transactions. The accompanying translation adjustments are included in "Accumulated other comprehensive income." Foreign currency receivables and payables of DOCOMO are translated at appropriate year-end current rates and the accompanying translation gains or losses are included in earnings currently. The effects of exchange rate fluctuations from the initial transaction date to the settlement date are recorded as exchange gain or loss, which are included in "Other income (expense)" in the accompanying consolidated statements of income and comprehensive income.

4.22 Details of major acquisitions during last 3 years involving DOCOMO:

Acquired Company	Acquisition Date	Purchase Price	Brief Description
INTERNATIONAL			
KT Freetel	2005.12.15	Approx. KRW 564.9bn (Rs. 20,00,876 lacs)	To enable both companies to provide better services to customers in their respective markets through the development and promotion of mobile technologies and applications.
Philippine Long Distance Telephone Company	2006.1.31	JYP 52.1bn (Rs. 2,53,050 lacs)	Purchased stocks from NTT Communications Corporation. To support PLDT and SMART in introducing i-mode and W-CDMA services and promoting international roaming between Japan and the Philippines.
DOCOMO PACIFI INC.	2006.3.20	US$ 71.8mn (Rs. 34,636 lacs)	To provide mobile services in Guam and the Northern Mariana Islands.
KTF-NTT DoCoMo Mobile Investment Limited Partnership	2007.10.10	KRW 13.5bn (Rs. 47,830 lacs)	Joint venture fund with KTF, managed by KTBnetwork Co., Ltd. to invest in promising mobile and IT firms in Korea.
U Mobile Sdn Bhd	2007.12.3	US$ 100mn (Rs. 48,239 lacs)	Joint investment with KTF through third-party allotment. To participate in U Mobile's management and draw on its 3G expertise to enhance U Mobile's competitiveness.
MagiNet Pte. Ltd.	2007.12.21	US$ 150mn (Rs. 72,359 lacs)	For the purpose to merge MagiNet
interTouch	2007.12.21	Maximum US$ 191 mn (Rs. 92,137 lacs)	To expand the business of high-speed wired/ wireless broadband connectivity services and applications primarily to hotels, management companies and travelers worldwide.
PLDT	2008.1.22	Approx. JYP 86.7bn (Rs. 4,21,102 lacs)	DOCOMO raised its stake (6.64%) in PLDT
TM International Bangladesh Ltd.	2008.6.16	US$ 350mn (Rs. 1,68,838 lacs)	To participate in TMIB's management and actively draw on its expertise to enhance the company's business in the fast-growing Bangladeshi mobile market.
DOMESTIC			
Rakuten Auction, Inc.	2005. 10.11	Approx. JPY 4.2bn (Rs. 20,399 lacs)	DOCOMO acquired 40% of Rakuten Auction's common shares. To leverage Rakuten's expertise in the Internet auction business.
Tower Records Japan Inc.	2005.11.7	Approx. JPY 12.8bn (Rs. 62,170 lacs)	To increase the value of its mobile phones by turning handsets into powerful devices for enjoying music related information.
ACCESS Co., Ltd.	2005.11.30	approx. JPY 17bn (Rs. 82,569 lacs)	
Aplix Corporation	2005.11.30	Approx. JPY 13bn (Rs. 63,141 lacs)	To enhance the working relationship in development of upper layer application software centered on browser technology.

Acquired Company	Acquisition Date	Purchase Price	Brief Description
Fuji Television Network, Inc.	2005.12.21	Approx. JPY 20.7 bn (Rs. 1,00,540 lacs)	To enhance the partnership by forming technical tie-ups in handset middleware centered on Java technology.
D.N. Dream Partners LLP	2006.2.9	JPY 5bn (Rs. 24,285 lacs)	Purchase of Fuji Television's treasury stock. For the purpose to cooperate by sharing their respective resources and expertise to create a new market and develop innovative services in the field of mobile communications and broadcasting.
UC card	2006.3.6	Approx. JPY 1 bn (Rs. 4,857 lacs)	Seven-year limited liability partnership between DOCOMO and Nippon Television Network Corporation. To develop content and related services that combine mobile communications and conventional TV programs.
CA MOBILE, LTD	2006.3.27	Approx. JPY 1.84 bn (Rs. 8,937 lacs)	Purchase current shares from Mizuho Bank. For the purpose of joint promotion of DoCoMo's iD™ brand card business.
LAWSON, Inc.	2006.3.28	Approx. JPY 9 bn (Rs. 43,713 lacs)	To strengthen mobile advertisement business.
Kadokawa Group Holdings	2006.11.27	Approx. JPY 4 bn (Rs. 19,428 lacs)	Purchase of current stocks. For the purpose to improve the development of mobile audio technology.
FamilyMart Co.,Ltd.	2007.5.28	Approx. JPY 9 bn (Rs. 43,713 lacs)	Joint venture company with McDonald's Holdings Company (Japan), Ltd. For the purpose to plan and manage e-marketing promotions to McDonald's newly planned membership club, and the introduction of DoCoMo's iD™ platform for mobile-phone credit cards and ToruCa™ information-capture service at McDonald's stores.
Acrodea, inc.	2008.2.27	Approx. JYP 1.8 bn (Rs. 8,743 lacs)	Joint Venture with Casio Computer Co., Ltd. to provide digital payment systems, mainly for DoCoMo's iD™ mobile credit-card platform, and related customer relationship management (CRM) services.
NTT Resonant inc	2008.6.16	Approx. JYP 6.6 bn (Rs. 32,056 lacs)	For the purpose to re-organize its 100% regional companies in the Hokkaido, Tohoku, Tokai, Hokuriku, Kansai, Chugoku, Shikoku and Kyushu regions.
Avex Broadcasting & Communications inc	2008.9.30	JYP2.1bn (Rs. 10,200 lacs)	Third-party share allocation. For the purpose to deploy the convergence of mobile and PC services.

4.23 **Corporate Governance:** DOCOMO has established a governance system that allows it to make decisions without delay and reinforce its audit and internal control, while at the same time improve its communications with shareholders with a goal to ensure promptness, transparency and soundness of the company's business management.

- For the governance of business operations, DOCOMO has adopted a Board of Directors/Corporate Auditors system, based on the belief that (i) directors should be involved in the decision-making process pertaining to important matters of the company, in order to facilitate business management based on the customers' perspective, and (ii) to ensure sound and efficient business execution, it is desirable to establish a structure in which board members who are assigned the responsibility for business execution can supervise each other, and business management can be audited by corporate auditors (including external auditors).
- DOCOMO has introduced a corporate officer system with the aim of enhancing the board's supervision function and further reinforcing the Company's business execution capability. In putting a corporate officer system in place, some of the business execution rights that are enjoyed by the Board of Directors have been transferred to representative directors and corporate officers.

- The board of corporate auditors consists of five members, including three external auditors. The board of corporate auditors in principle meets once a month to make decisions on audit policies, plans, methods and other important issues relating to the audit of the company, as well as to receive reports from each corporate auditor concerning the status of audits carried out. Corporate auditors ensure the effectiveness of audits by collaborating and exchanging information on audit plans and results with the Internal Audit Office, an independent unit established to perform internal audits of the company, and DOCOMO's registered public accountants on regular basis. Furthermore, corporate auditors reinforce audit structures by improving the communication with auditors of the company's subsidiaries.
- To receive objective inputs pertaining to managerial challenges facing the company from experts representing various fields, DOCOMO has set up advisory boards, one in Japan and another in the United States. The members of the two advisory boards comprise experts from various fields, and the advice and proposals obtained from the members are reflected in the management of the company.
- The compliance officer of DOCOMO is Mr. Katsuhiro Nakamura. The Compliance Officer can be contacted at: Tel: +81-3-5156-1111 Fax: +81-3-5156-0204 Email: india-dcm-ml@nttdocomo.com

4.24 DOCOMO has several subsidiary companies in and outside Japan. DOCOMO has not promoted any company in India. Major subsidiary companies are as below:

NAME OF COMPANY	
1.	DOCOMO interTouch Pte. Ltd.
2.	Tecworld Limited
3.	HTCL Holdings Limited
4.	Lugton Limited
5.	DOCOMO GUAM HOLDINGS, INC.
6.	Mobile Innovation Company Limited
7.	NEASDEN ASSETS LIMITED
8.	EPHRAIM ASSETS LIMITED
9.	CALAMINT INVESTMENTS LIMITED
10.	THURSO INVESTMENTS LIMITED
11.	DoCoMo Capital, Inc.
12.	DoCoMo Europe (France) S.A.S.
13.	DoCoMo Europe Ltd.
14.	DoCoMo Beijing Communications Laboratories Co.,Ltd.
15.	NTT DoCoMo USA, Inc.
16.	DoCoMo China Co., Ltd
17.	DoCoMo PACIFIC, INC.

4.25 Details of the top 5 subsidiaries are given as under:

NAME OF COMPANY	% SHARE HOLDING	DATE OF INCORP.	REGISTERED OFFICE	NATURE OF BUSINESS
DOCOMO Service, Inc.	100	1992.8.3	3-16-3, Higashi-Ikebukuro, Toshima-Ku, Tokyo	Telemarketing, Billing and staff service
DOCOMO Systems, Inc.	100	1985.5.30	2-4-5 Akasaka Minato-Ku Tokyo	Planning, development and operation of systems for DOCOMO Group
DOCOMO Engineering, Inc.	100	1992.8.1	2-4-5 Akasaka, Minato-ku, Tokyo	Development, constrcutionand maintenance of telecommunication network
DOCOMO Technology, Inc.	100	2001.8.1	2-4-5 Akasaka, Minato-ku, Tokyo	Research and development on mobile telecommunications
DOCOMO Mobile, Inc.	100	1995.9.4	2-4-5, Akasaka, Minato-Ku, Tokyo	Customer Service, Call Center

4.26.

DOCOMO Service, Inc.	Mar-06		Mar-07		Mar-08	
	JPY Mn	RS LACS	JPY Mn	RS LACS	JPY Mn	RS LACS
Total Income	36,732	178,407	30,911	150,135	31,415	152,583
Profit After Tax	1,010	4,906	1,401	6,805	1,768	8,587
Equity Capital	100	486	100	486	100	486
Reserves	8,109	39,385	4,579	22,240	5,937	28,836
Total Shareholders Equity	8,209	39,871	4,679	22,726	6,037	29,322
EPS (JYP/ RS)	421,156	2,045,555	584,155	2,837,241	737,009	3,579,653
Book Value per share (JYP/ RS)	82	399	47	227	60	293

4.27.

DOCOMO Systems, Inc.	Mar-06		Mar-07		Mar-08	
	JPY Mn	RS LACS	JPY Mn	RS LACS	JPY Mn	RS LACS
Total Income	36,395	176,771	39,488	191,793	35,008	170,034
Profit After Tax	1,197	5,814	917	4,454	888	4,313
Equity Capital	652	3,167	652	3,167	652	3,167
Reserves	7,384	35,864	5,266	25,577	5,852	28,423
Total Shareholders Equity	8,036	39,031	5,918	28,744	6,504	31,590
EPS (JYP/ RS)	107,148	520,418	82,070	398,614	79,458	385,928
Book Value per share (JYP/ RS)	12	60	9	44	10	48

4.28

DOCOMO Engineering, Inc.	Mar-06		Mar-07		Mar-08	
	JPY Mn	RS LACS	JPY Mn	RS LACS	JPY Mn	RS LACS
Total Income	43,853	212,994	49,431	240,086	40,490	196,660
Profit After Tax	2,115	10,273	2,092	10,161	2,065	10,030
Equity Capital	100	486	100	486	100	486
Reserves	13,036	63,316	8,416	40,877	9,796	47,579
Total Shareholders Equity	13,136	63,802	8,516	41,362	9,896	48,065
EPS (JYP/ RS)	881,349	4,280,712	871,682	4,233,759	860,803	4,180,920
Book Value per share (JYP/ RS)	131	638	85	414	99	481

4.29

DOCOMO Technology, Inc.	Mar-06		Mar-07		Mar-08	
	JPY Mn	RS LACS	JPY Mn	RS LACS	JPY Mn	RS LACS
Total Income	55,686	270,467	39,756	193,095	37,103	180,209
Profit After Tax	1,880	9,131	1,534	7,451	2,510	12,191
Equity Capital	100	486	100	486	100	486
Reserves	4,667	22,668	4,505	21,881	5,618	27,287
Total Shareholders Equity	4,767	23,153	4,605	22,366	5,718	27,772
EPS (JYP/ RS)	940,396	4,567,503	767,394	3,727,233	808,272	3,925,777
Book Value per share (JYP/ RS)	48	232	46	224	57	278

4.30

DOCOMO Mobile, Inc.	Mar-06		Mar-07		Mar-08	
	JPY Mn	RS LACS	JPY Mn	RS LACS	JPY Mn	RS LACS
Total Income	19,763	95,989	20,640	100,248	21,062	102,298
Profit After Tax	943	4,580	893	4,337	1,063	5,163
Equity Capital	30	146	30	146	30	146
Reserves	5,453	26,485	4,231	20,550	5,001	24,290
Total Shareholders Equity	5,483	26,631	4,261	20,696	5,031	24,436
EPS (JYP/ RS)	1,572,246	7,636,399	1,489,104	7,232,578	1,772,195	8,607,551
Book Value per share (JYP/ RS)	183	888	142	690	168	815

4.31 Future plans with regard to the Target Company:

- The Acquirer and PAC do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next 2 (two) years, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or otherwise of the Target Company. Prior to the Public Announcement, the Target Company has already hived off its passive tower infrastructure into a separate undertaking to its wholly owned subsidiary. The Target Company may undertake further restructuring of wholly subsidiary including stake sale to a strategic partner, merger or disposal of the same.
- It will be the responsibility of the Board of Directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws or legislation at the relevant time. Further, the Acquirer and PAC undertake that they shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

5. BACKGROUND OF PAC - TATA SONS LIMITED ("PAC" / "TSL")

5.1 TSL was incorporated as a private limited company under the (Indian) Companies Act, 1913 on November 8, 1917 at Mumbai and currently its registered office and corporate office is located at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001, Maharashtra, India. Tel: +91-22-6665-8282, Fax: +91-22-6665-8080, Email: tatasons@tata.com. TSL had become a deemed public company with effect from May 1, 1975.

5.2 TSL is the principal investment holding company of the Tata Companies and it has a significant shareholding in the share capital of major operating companies that it has promoted. TSL is the owner of the Tata name and the Tata trademark, which are registered in India and several other countries.

5.3 TSL has two operating divisions:

- Tata Financial Services ("TFS"): This division provides financial advisory services related to corporate finance and restructuring, project finance and treasury and portfolio management of operating and investment companies.
- Tata Quality Management Services ("TQMS"): This division is involved in creating awareness and imparting training in the Tata Business Excellence Model (TBEM) amongst Tata Companies. This is done to assist Tata Companies to achieve well-defined levels of business excellence using the TBEM framework. The framework encompasses four approaches - Assurance, Assessment, Assistance and Award (the JRD QV Award)

5.4 The shares of TSL are not listed on any exchange.

5.5 The authorized share capital of TSL is Rs. 433,500 lacs comprising of 600,000 ordinary shares of Rs. 1,000 each and 42,750,000 cumulative redeemable preference shares of Rs. 1,000 each. The issued share capital is Rs. 424,041 lacs comprising of 404,146 ordinary shares of Rs. 1,000 each; 2,500,000 7% cumulative redeemable preference shares of Rs. 1,000 each; 39,000,000 8.25% cumulative redeemable preference shares of Rs. 1,000 each and 500,000 7.5% cumulative redeemable preference shares of Rs. 1,000 each. The subscribed and paid up capital is Rs. 3,41,291 lacs comprising of 404,146 ordinary shares of Rs. 1,000 each; 2,205,000 7% cumulative redeemable preference shares of Rs. 1,000 each; 31,390,000 8.25% cumulative redeemable preference shares of Rs. 1,000 each and 130,000 7.5% cumulative redeemable preference shares of Rs. 1,000 each.

5.6 As on the date of Public Announcement about 66% of the equity share capital of TSL was held by philanthropic trusts endowed by members of the Tata family. The biggest two of these trusts are Sir Dorabji Tata Trust and Sir Ratan Tata Trust, which were created by the families of the sons of Sir Jamsetji Tata. The shareholding pattern of TSL is as under:

Name of the Shareholder	Number of Shares held	% of Shareholding
Public Charitable Trusts	266,283	65.89
Companies registered in India	126,257	31.24
Individuals	11,606	2.87
Total	**404,146**	**100.00**

5.7 TSL directly holds 393,065,478 fully paid up equity shares in the Target Company as on the date of this Public Announcement constituting 20.72% of the current paid up equity share capital of the Target Company. The shares of the Target Company were acquired by TSL at different points in time since inception as per the table given below:

DATE OF ACQUISITION	PRICE OF ACQUISITION	NUMBER OF SHARES	CUMULATIVE NUMBER OF SHARES	CUMULATIVE SHAREHOLDING (%)*	MODE	SELLING SHAREHOLDER	COMPLIANCE
06.12.2002	Rs.7.11	11,94,99,639	11,94,99,639	8.50	Open Offer	Participants of Open Offer	Complied
12.01.2007	Rs.17.00	2,27,04,931	14,22,04,570		Rights Issue		Complied
12.01.2007	Rs.17.00	19,58,60,908	33,80,65,478	18.68	Unsub-scribed portion of Rights		Complied
5th & 7th March,2008	Rs.45.00	5,50,00,000	39,30,65,478	20.72	Purchase of Shares	Inter-se transfer from Tata Power Co. Ltd.	Complied
TOTAL		**39,30,65,478**	**39,30,65,478**	**20.72**			

* Cumulative shareholding percentage calculated as on the date of the acquisition.

5.8 TSL has complied with the reporting requirements under Chapter II of the SEBI (SAST) Regulations as under:

Sl. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	6(1)	20.04.1998	-	-	-
2	6(3)	20.04.1998	-	-	-
3	8(1)	21.04.1999	-	-	-
4	8(2)	21.04.1999	-	-	-
5	8(1)	21.04.2000	-	-	-
6	8(2)	21.04.2000	-	-	-
7	8(1)	21.04.2001	-	-	-
8	8(2)	21.04.2001	-	-	-
9	8(1)	21.04.2002	-	-	-
10	8(2)	21.04.2002	-	-	-
11	8(1)	21.04.2003	17.4.2003	-	-
12	8(2)	21.04.2003	17.4.2003	-	-
13	8(1)	21.04.2004	15.4.2004	-	-
14	8(2)	21.04.2004	15.4.2004	-	-
15	8(1)	21.04.2005	13.4.2005	-	-
16	8(2)	21.04.2005	13.4.2005	-	-
17	8(1)	21.04.2006	19.4.2006	-	-
18	8(2)	21.04.2006	19.4.2006	-	-
19	8(1)	21.04.2007	18.4.2007	-	-
20	8(2)	21.04.2007	18.4.2007	-	-
21	8(1)	21.04.2008	17.4.2008	-	-
22	8(2)	21.04.2008	17.4.2008	-	-
24	7(1) & (2)	09.12.2002	9.12.2002	-	
25	7(1A)&(2)	20.01.2007 07.03.2008	19.01.2007 07.03.2008		

5.9 As on date of this Letter of Offer the details of directors of TSL along with their addresses are as under:

Name/Designation/ Date of Appointment	**Educational Qualification**	**Experience**	**Residential Address**
Mr R N Tata, Chairman 21-08-1974	B.Sc., Arch.Struc. Engg. from Cornell University, N.Y.	Mr. Tata is also Chairman of the Board of Directors of Tata Industries Ltd and several major operating Tata companies e.g. Tata Steel Limited, Tata Motors Limited, The Tata Power Company Limited, Tata Chemicals Limited, The Indian Hotels Company Limited, Tata Tea Limited, Tata Consultancy Services Ltd, Tata Teleservices Ltd, Tata Teleservices (Maharashtra) Ltd and Tata Autocomp Systems Ltd and Jaguar LandRover Ltd., UK. Earlier, he was Executive Chairman of Tata Motors Limited and Tata Sons Limited.	202A, Bakhtavar, Lower Colaba Road, Mumbai 400 005.
Mr N A Soonawala, Vice Chairman 01-02-1989	B.Com. (Hons.),A.C.A.	Mr. Soonawala is Chairman of Tata Investment Corporation Limited and non-executive Director on the Boards of other companies e.g. Tata Industries Limited, Tata Motors Limited, Indian Hotels Company Limited, Trent Limited. Earlier, he served Tata Sons Limited as Finance Director.	29, Hampton Court, 7th floor, Opp. Colaba P.O., Mumbai 400 005.
Mr F K Kavarana, Director 01-02-1989	B.Com, F.C.A. (England & Wales), M.B.A. (Wharton)	Mr. Kavarana is Chairman of Tata AIG Life Insurance Company Limited, Tata AIG General Insurance Company Limited, Trent Ltd, Tata Asset Management Company Limited, Tata Projects Limited and Tata Tea Inc. He is also a Director on the Boards of other Tata companies e.g. Tata Industries Limited, Tata Tea Limited, Titan Industries Limited, Tata International AG and several Tata companies incorporated overseas.	CCI Chambers, 5th floor, Dinshaw Vachha Road, Mumbai 400020
Mr Syamal Gupta, Director 12-05-1995	Graduate in A.M.P., Harvard	Mr. Gupta is Chairman of Tata International Limited, Tata Elxsi Limited, and TCE Consulting Engineers Limited besides being a Director on the Boards of , Tata AIG Life Insurance Company Limited, Tata AIG General Insurance Co Limited, Tata BP Solar India Limited, Tata Advanced Materials Limited and several Tata companies incorporated overseas.	19, Commonwealth, Madame Cama Road, Nariman Point, Mumbai 400021.
Dr J J Irani, Director 19-06-1997	B.Sc.; M.Sc.; M.Met, & Ph.D., UK	Dr. Irani is the Chairman of Tata Refractories Limited, TRF Limited, and Kansai Nerolac Paints Limited besides being a Director on the Boards of , Tata Steel Limited, Tata Motors Limited, Tata Teleservices Limited, Tata Incorporated (N.Y.), HDFC Ltd. and BOC India Limited. He served Tata Steel Limited for over three decades before retiring as its Managing Director.	Flat No.221, 'A' Wing, NCP Apartments, Nariman Point, Mumbai 400 021.

Name/Designation/ Date of Appointment	Educational Qualification	Experience	Residential Address
Mr R Gopalakrishnan, Executive Director 24-11-1998	B.Sc.(Physics); M.Tech.	Mr. Gopalakrishnan is Chairman of Rallis India Limited, Tata AutoComp Systems Limited, Advinus Therapeutics Private Limited and Vice Chairman of Tata Chemicals Limited besides being a Director on the Boards of Tata Motors Limited, The Tata Power Company limited, Tata Teleservices Limited, Tata Technologies Limited, ICI India Limited, and Castrol India Limited. Prior to joining Tata Sons, he was Vice Chairman of Hindustan Lever Limited.	Flat 101, Baug-E-Abbas, 21-A, Cuffe Parade, Mumbai 400 005.
Mr Ishaat Hussain, Finance Director 24-11-1998	B. Com, F.C.A. (Eng. & Wales)	Mr. Hussain is Chairman of Voltas Limited and Tata Sky Limited besides being a Director on the Boards of Tata Industries Limited, Tata Steel Limited, CMC Limited, Tata Teleservices Limited, Titan Industries Limited, Tata AIG Life Insurance Company Limited Tata AIG General Insurance Company Limited, Tata Capital Limited, Tata Steel UK Ltd. and Tata Incorporated (N.Y.). Prior to joining Tata Sons, he was Senior Vice President, Finance & Executive Director of Tata Steel Limited	Flat No.222, 'A' Wing, NCPA Apartments, Nariman Point, Mumbai 400 021.
Mr. R K Krishna Kumar, Director 22-01-2002	B.A. History & Political Science, Masters in Politics & Public, Admn.	Mr. Krishna Kumar is Chairman of Ewart Investments Limited, Tata Housing Development Company Limited, Tata Coffee Limited, The Tetley Group Limited (UK), Infinity Retail Limited, Tata Realty and Infrastructure Limited and Vice Chairman of Tata Tea Limited and The Indian Hotels Company Limited besides being a Director on the Boards of Tata Industries Limited, Tata International Limited, and other group hotel companies including some companies incorporated overseas. He served Tata Tea Limited for many years reaching the position of Managing Director and later joined The Indian Hotels Company Limited as Managing Director, which position he held until mid July 2003	Flat No.213, 'B' Wing, NCPA Apartments, Nariman Point, Mumbai 400 021.
Mr A R Gandhi, Director 18-08-2003	B.Com, F.C.A, F.C.A (England & Wales)	Mr Gandhi joined Tata Sons Limited as an Executive Director on 18th August, 2003. Presently, he is a non-executive director with effect from 18th August 2008. Earlier he was a Senior Partner of M/s. N.M. Raiji & Co., Chartered Accountants for many years. He is a Director of Tata Asset Management Limited, Tata Teleservices (Maharashtra) Limited, Tata Communications Limited,Tata Business Support Services Ltd., Wireless TT Info Services Limited, Tata Tea Limited, Tata Tea (GB) Limited, Tata Tea Inc, and Tata Steel UK Ltd.	Akruti Astha, 9th floor, 23 G, Dongarsi Road, Mumbai 400 006.

Name/Designation/ Date of Appointment	Educational Qualification	Experience	Residential Address
Mr Alan Rosling, Executive Director 15-01-2004	M.A. Univ. of Cambridge, M.B.A. Harvard University	Mr. Alan Rosling is responsible for the initiatives of Tata companies to internationalise operations. He is also a Director of Tata AutoComp Systems Ltd and Tata International Ltd. Before joining Tatas, Mr Rosling was Chairman of the Jardine Matheson Group in India. Mr Rosling is currently the Chairman of the British Business Group, Mumbai and the Chairman of the City of London Advisory Board for India.	9, Hill Park, Malabar Hill, Mumbai 400 006.
Mr Cyrus P Mistry, Director 10-08-2006	M.Sc. in Mgmt London Business School B.E. (Civil) Imperial College London.	Mr Mistry is a Director in various companies including Tata Elxsi Ltd. and the Shapoorji Pallonji Group of Companies	Sterling Bay, 103 Walkeshwar Road, Mumbai 400 006.

5.10 None of the directors of TSL have acquired any shares of the Target Company over the last 12 months from the date of the Public Announcement. None of the directors/representatives of TSL are on the Board of Directors of the Target Company except:

- Mr. R N Tata
- Mr A R Gandhi

The above persons have recused themselves and have not participated and shall recuse and shall not participate in any matter(s) concerning or 'relating' to the Offer including any preparatory steps leading to the Offer.

5.11 There are no other agreements between the Acquirer and PAC in relation to the Offer / acquisition of the shares except as disclosed in this Letter of Offer

5.12 Brief financials of TSL are presented below. (Source: Audited Accounts for 2007-08 and 2006-07, Financials as of September 30, 2008 are for the six month period and are as per the review report issued by the statutory auditors of TSL) The latest financials are less than six months old as at the date of the Public Announcement:

Profit and Loss Statement:

ALL FIGURES IN RS LACS	Mar 06	Mar 07	Mar 08	Sep 08 (6 months)##
Dividend Income and Profit on Sale of Investments	169,634	362,459	417,182	215,202
Income from Services	15,390	21,253	28,865	10,641
Other Income	1,733	1,539	1,620	526
Total Income	**186,757**	**385,251**	**447,667**	**226,369**
Total Expenditure	14,633	16,929	21,944	13,514
Profit Before Depreciation, Interest & Tax	172,124	368,322	425,723	212,855
Depreciation	328	293	341	174
Interest (net)	6,432	5,400	13,190	19,491
Profit Before Tax	165,364	362,629	412,192	193,190
Provision for Tax	4,133	29,035	34,212	13,108
Profit After Tax	161,231	333,594	377,980	180,082

Balance Sheet for the year ended March 31st

ALL FIGURES IN RS LACS	Mar 06	Mar 07	Mar 08	Sep 08 (6 months)##
Sources of funds				
Paid up share capital	4,041	4,041	4,041	4,041
Preference Share Capital	6,610	19,798	274,700	286,750
Reserves and Surplus	923,685	1,212,313	1,552,423	1,732,505
Net worth #	927,726	1,216,354	1,556,464	1,736,546
Secured loans	87,550	238,200	344,000	554,000
Unsecured loans	144,098	173,708	534,159	492,602
Deferred tax liability	269	214	26	-
Total	**1,166,253**	**1,648,274**	**2,709,349**	**3,069,898**
Uses of funds				
Net fixed assets	3,428	3,432	3,276	3,399
Investments	1,184,087	1,445,150	2,356,304	2,517,472
Deferred Tax Assets	-	-	-	6
Net current assets	(21,262)	199,692	349,769	549,021
Total	**1,166,253**	**1,648,274**	**2,709,349**	**3,069,898**

Other Financial Data

	Mar 06	Mar 07	Mar 08	Sep 08 (6 months)##
Dividend % ***	650%	700%	700%	-
Earnings per Share - Basic	39,782	82,322	91,155	41,703^
Return On Net Worth %*	17.4%	27.4%	24.3%	10.4%^
Book Value Per share (Rs.)**	229,552	300,969	385,124	429,683

Computed as a sum of Ordinary Equity Share Capital and Reserves

##Based on the statutory auditors' review report for the six months ended September 30, 2008

*Return has been calculated as Net Income / Net Worth,

** Book Value per share has been calculated as Net Worth / No of basic shares,

*** Dividend % - Dividend per share upon Face value per share

^ Non Annualized figures (for the six months ended September 30, 2008)

5.13 As on March 31, 2008 TSL had the following contingencies and commitments:

- The company has given guarantees to banks, financial institutions and others in respect of credit facilities allowed to other companies of the maximum amount of Rs. 75,366 lacs (2006/07 - Rs. 191,916 lacs). The amounts outstanding against the above guarantees as on 31st March 2008 were Rs. 74,901 lacs (2006/07- Rs. 183,845 lacs).
- The company has provided guarantees for performance to lenders in relation to loans extended by them to certain subsidiaries. The maximum exposure of the company in the event of the projected stipulations not being met has been estimated at Rs. 65,000 lacs (2006/07 - Rs. 65,000 lacs).
- Sales Tax matters under appeal Rs. 439 lacs (2006/07 - Rs. 439 lacs).
- Income Tax matters under appeal Rs. 21,665 lacs (2006/07 - Rs. Nil).
- TSL has given an undertaking to a financial institution to maintain at least 51% of shareholding in a joint venture, Tata Sky Ltd, so long as any amount is outstanding under certain facilities granted by the said financial institution to Tata Sky Ltd.
- The company has pledged shares of the book value of Rs. 330,748 lacs (2006/07 - Rs. 273,542 lacs) held in subsidiaries of the company as security for the assistance availed by the companies from certain banks. The details of number of share pledged are (i) TTSL - 258,84,30,264 shares having a book value of Rs. 3,04,658 lacs and (ii) TTML - 14,56,69,337 shares having a book value of Rs. 26,090 lacs.

5.14 Reasons for Rise /Fall in Total Income/PAT(Source: Annual Report 2008 and 2007):

- 2008 vs. 2007: Income earned from dividends and profit on sale of investments during the year ending March 31 2008 increased to Rs. 417,182 lacs (Previous Year: Rs. 362,459 lacs). TSL posted Profit after Tax of Rs.377,980 lacs over the previous year PAT of Rs.333,594 lacs. The increase is mainly due to increase in dividend income and increase in profit made on sale of investments.
- 2007 vs. 2006: Income earned from dividends and profit on sale of investments during the year ending March 31 2007 increased to Rs. 362,459 lacs (Previous Year: Rs. 169,634 lacs). TSL posted Profit after Tax of Rs.333,594 lacs over the previous year PAT of Rs.161,231 lacs. The increase is due to higher dividend income supplemented by the profit made on sale of investments.

5.15 Significant accounting policies of TSL are as below (Source: TSL Annual Report 2008)

- **Basis of Preparation:** The financial statements are prepared under the historical cost convention on an accrual basis and comply in all material respects with the mandatory Accounting Standards notified by the Central Government of India under Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- **Fixed Assets:** a) Tangible Assets - Fixed assets are stated at cost less accumulated depreciation. b) Intangible Assets- Computer software is recognised as intangible assets and stated at cost, less accumulated amortisation.
- **Depreciation / Amortisation:** a.) Depreciation on fixed assets other than intangible assets is provided on the written down value method at rates prescribed in Schedule XIV to the Companies Act, 1956, except for Furniture and Fittings which are depreciated at 100% in the year of addition; b.) Intangible assets comprising of software are amortised on straight line basis over the estimated useful life of the software commencing from the year in which such software is first utilised. The estimated useful life is 5 years; and c.) Assets individually costing less than Rs. 5000 are fully depreciated in the year of acquisition.
- **Investments:** Long term investments in shares, debentures and bonds are shown at cost or book value whichever is lower, except where there is a diminution in value other than temporary, for which provision is made. Current Investments are stated at the lower of cost or fair value. Profits / losses on sale of investments are taken to the Profit and Loss Account.
- **Revenue Recognition:** Income is recognised on an accrual basis. Revenue from consultancy services is recognised on the proportionate completion method based on management's estimates of the stage of completion. Dividend income is recognised when the right to receive dividend is established.
- **Employee Benefits:** Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered. Contributions under Defined Contribution Plans are recognised in the Profit and Loss Account in the period in which the employee has rendered the service. Company's liability towards Defined Benefit Plan/Long Term Compensated Absences/ Long Service Award/ Retirement Benefits are determined by independent actuaries, using the projected unit credit method. Actuarial gains and losses are recognised immediately in the statement of Profit and Loss Account as income or expense.
- **Foreign Exchange Transactions:** Transactions in foreign currencies are recorded at prevailing exchange rates on the date of the transaction and resultant conversion profits / losses are recognised as revenue. Monetary items in foreign currency are translated at the year-end rates of exchange and the exchange difference arising thereon is recognised in the Profit and Loss Account. In respect of items covered by forward contracts, the premium or discount arising at the inception of such a forward contract is amortised as expense or income over the life of the contract.
- **Taxes:** Taxes on Income represent taxes payable in India in accordance with the provisions of the Income Tax Act, 1961 and are provided for after considering the tax effect of timing differences, which arise during the year and reverse in subsequent periods. Provision for Fringe Benefit tax is provided in accordance with the Income Tax Act, 1961.

5.16 TSL has promoted several companies in and outside India. The major operating subsidiary companies of TSL are listed below:

NAME OF COMPANY	
1.	Tata Consultancy Services Ltd,
2.	TCE Consulting Engineers Ltd.
3.	Tata Housing Development Company Ltd.
4.	Tata International AG,
5.	Panatone Finvest Ltd,
6.	Tata Business Support Services Ltd
7.	Tata Ltd.
8.	Infiniti Retail Limited

NAME OF COMPANY	
9.	Computational Research Laboratories Ltd.,
10.	Tata Asset Management Ltd.,
11.	Tata Capital Ltd.
12.	Ewart Investments Ltd.,
13.	Tata Petrodyne Ltd.,
14.	Tata Teleservices Ltd.,
15.	Tata AIG General Insurance Company Ltd.,
16.	Tata AIG Life Insurance Company Ltd.,
17.	Tata Realty and Infrastructure Limited,
18.	Tata Teleservices (Maharashtra) Ltd.,
19.	Tata Sky Ltd.
20.	Ewart Investment Private Ltd
21.	Tata Investment Corporation Ltd.

5.17 Details of the top five companies promoted by TSL are given as under:

NAME OF COMPANY	% SHARE HOLDING	DATE OF INCORP.	REGISTERED OFFICE	NATURE OF BUSINESS
Tata Steel Ltd	27.90%	26-Aug-07	Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400001	Manufacturer of a diversified portfolio of steel products
Tata Consultancy Services Ltd	75.01%	19-Jan-95	9th floor, Nirmal Building, Nariman Point, Mumbai - 400021	Consultancy Services
Tata Motors Ltd.	21.92%	1-Sep-45	Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400001	Engaged in the manufacture of automobiles in various categories such as heavy, medium, light commercial vehicles, passenger cars etc.
Tata Power Company Ltd	30.25%	18-Sep-19	Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400001	Company engaged in generation, transmission and distribution of electrical energy
Tata Communications Ltd	8.51%	19-Mar-86	Videsh Sanchar Bhavan, Mahatma Gandhi Road, Mumbai 400 001	Service provider, public, international telecommunication services

Tata Steel Ltd (Rs in Lacs)	**Mar-06**	**Mar-07**	**Mar-08**
Total Income	1,547,026	1,798,569	2,002,828
PAT	350,638	422,215	468,703
Total Equity Capital	55,367	58,067	73,078
Total Reserves	894,836	1,316,589	2,094,232
Networth	950,203	1,374,656	2,167,310
EPS (Rs.)	63.35	65.28	67.17
Book value per share (Rs.)	171.68	214.80	379.00

Tata Consultancy Services Ltd (Rs in Lacs)	**Mar-06**	**Mar-07**	**Mar-08**
Total Income	1,128,281	1,515,652	1,897,967
PAT	271,687	375,729	450,876
Total Equity Capital	4,893	9,786	9,786
Total Reserves	556,040	796,113	1,080,695
Networth	560,933	805,899	1,090,481
EPS (Rs.)	55.53	38.89	46.07
Book value per share (Rs.)	114.64	82.35	55.62

Tata Motors Ltd (Rs in Lacs)	Mar-06	Mar-07	Mar-08
Total Income	2,429,052	3,206,467	3,357,711
PAT	152,888	191,346	202,892
Total Equity Capital	38,287	38,541	38,554
Total Reserves	515,420	648,434	745,396
Networth	553,707	686,975	783,950
EPS (Rs.)	40.57	49.76	52.64
Book value per share (Rs.)	144.62	178.25	203.36

Tata Power Company Ltd (Rs in Lacs)	Mar-06	Mar-07	Mar-08
Total Income	485,977	505,931	638,175
PAT	61,054	69,680	86,990
Total Equity Capital	19,792	19,792	22,072
Total Reserves	478,230	525,942	723,751
Networth	498,022	545,734	745,823
EPS (Rs.)	29.03	34.02	38.64
Book value per share (Rs.)	203	226	288

Tata Communications Ltd (Rs in Lacs)	Mar-06	Mar-07	Mar-08
Total Income	400,972	425,401	346,533
PAT	47,954	46,856	30,447
Total Equity Capital	28,500	28,500	28,500
Total Reserves	577,617	607,450	626,236
Networth	606,117	635,950	654,736
EPS (Rs.)	16.80	16.40	10.68
Book value per share (Rs.)	212.60	223.10	219.73

6. DISCLOSURE IN TERMS OF REGULATION 21(2)

As per Clause 40A of the listing agreement with the BSE and NSE ("Listing Agreement"), the Target Company is required to maintain at least 10% public shareholding on a continuous basis. In the current transaction, post the Offer, the public shareholding will not go below 10% and hence the same will meet the requirements under Clause 40A of the listing agreements with BSE and NSE. In other words, all requirements under Clause 40A of Listing Agreement and all other applicable rules and regulations would be complied with respect to listing requirements.

7. BACKGROUND OF THE TARGET COMPANY - TATA TELESERVICES (MAHARASHTRA) LIMITED ("TARGET COMPANY"/ "TTML")

7.1 The Target Company was incorporated in 1995 as Hughes Ispat Limited later renamed as Hughes Tele.com India Limited. Consequent upon acquisition of Hughes Tele.com India Limited by TTSL and other Tata Companies in 2002 the name of the Target Company was changed to Tata Teleservices (Maharashtra) Limited. TTML provides telecommunication services in the service areas of Mumbai and Maharashtra state (including Goa). TTML commenced CDMA wireless operations in the year 2003 and its subscriber base crossed 1 million mark in 2005. As at end of September 2008, TTML had a total subscriber base in excess of 6 million comprising of mobile, wireline and data service customers.

7.2 The registered office of TTML is located at Voltas Premises, T B Kadam Marg, Chinchpokli, Mumbai - 400 033, India. The corporate office of TTML is located at D-26, TTC Industrial Area, MIDC Sanpada, P.O. Turbhe, Navi Mumbai -400 703. Tel: +91-22-6661 5445 Fax:+ 91-22-6660 5516/17/ 6791 7777, Email: investor.relations@tatatel.co.in

7.3 Key events in TTML history since incorporation are highlighted in the following table -

YEAR	EVENT
1995	The company was incorporated on March 13, 1995 as a Public Limited Company under the provisions of the Companies Act, 1956 as Hughes Ispat Limited.
1997	The company acquired a basic license for the Maharashtra Circle (which included, the State of Goa and the Mumbai Metropolitan service area) in September 1997.

YEAR	EVENT
1998	Commenced wire-line and TDMA based fixed wireless operations in October 1998
2000	The name of the company was changed to Hughes Tele.com (India) Limited with effect from April 26, 2000
2002	On December 6, 2002, the existing promoters together with certain other Tata companies assumed management control of the company
2003	1. With effect from February 13, 2003, the name of the company was changed to Tata Teleservices (Maharashtra) Limited
	2. In July 2003, the company introduced wireless services using CDMA technology, which provided fixed as well as limited mobility services to the subscribers within an SDCA, a smaller defined area within a circle.
	3. In November 2003 the Company converted the Basic License for the Maharashtra Circle into two UASL, one for the Maharashtra Circle (which includes the State of Goa) and the other for the Mumbai Metropolitan Circle and commenced mobile services using CDMA technology
2005	Total Subscriber base crossed 1 million mark
2007	With effect from September 15, 2007 Registered Office of the company is Voltas Premises, T B Kadam Marg, Chinchpokli, Mumbai - 400 033.
2008	Entered into a Business Transfer Agreement on September 30, 2008 with its wholly owned subsidiary 21st Century Infra Tele Limited for transfer of its Passive Tower Infrastructure Business

7.4 TTML is promoted by the Tata Companies and TSL holds 393,065,478 fully paid up equity shares in TTML comprising 20.72% of its issued and paid up equity share capital.

7.5 Share Capital structure of the Target Company as on the date of Public Announcement is as follows:

	NO. OF SHARES/ VOTING RIGHTS FACE VALUE (RS 10/- EACH)	% OF SHARES
Authorized Share Capital	2,500,000,000 equity shares of Rs 10	-
Issued and paid up equity shares	1,897,190,504 equity shares of Rs 10 each	100%
Total Voting rights in TTML	1,897,190,504 equity shares of Rs 10 each	100%

7.6 As on the date of this Letter of Offer there are no outstanding partly paid up equity shares or any other instruments convertible into equity shares at a future date, in the books of the Target Company except the following:

- There are 13,241 Foreign Currency Convertible Bonds ("FCCBs") of USD 1,000 each outstanding, aggregating to USD 13,241,000 and optionally convertible before the maturity date June 2, 2009. If all the outstanding FCCB holders exercise their right of conversion, 2,40,11,139 equity shares would be issued to FCCB holders.
- There are 7,950 ESOP's outstanding.

7.7 Fully diluted capital for the Target Company ("Emerging Voting Capital") as on the date of the Public Announcement, is calculated as below:

Particulars	No. of equity shares
Issued and paid up equity shares outstanding as on the date of PA (A)	1,897,190,504
Add: Equity shares underlying possible conversion of FCCBs (B)	24,011,139
Add: Total outstanding ESOPs as on date of the PA for which equity shares may be issued (C)	7,950
Emerging Voting Capital (A + B + C)	**1,921,209,593**

7.8 Capital structure of TTML since inception and the disclosure status of compliance with applicable provisions of the SEBI (SAST) Regulations and other statutory requirements as applicable:

Date of Allotment	No. of Shares Allotted	% of Share Issued	Cumulative Paid up Capital INR Lacs	Mode of Allotment	Identity of Allottees (Promoter/ Ex-Promoter/ Others)	Status of Compliance
13-Mar-95	70	100%	0.00	PRE-IPO	Promoters - Subscribers to the MoA	Not Applicable
31-Mar-99	666,660,000	100%	66,666	PRE-IPO	Promoters	Not Applicable
25-Sep-00	738,666,591	52.56%	140,533	IPO	Promoters & Others	Not Applicable
27-Feb-04	1,653,455	0.12%	140,698	Conversion of ESOP	Others	Not Applicable
20-Oct-04	440,869	0.03%	140,742	Conversion of ESOP	Others	Not Applicable
13-Jan-05	11,237,720	0.79%	141,866	Conversion of FCCB	Others	Not Applicable
4-Feb-05	22,107,138	1.53%	144,077	Conversion of FCCB	Others	Not Applicable
18-Feb-05	16,591,474	1.14%	145,736	Conversion of FCCB	Others	Not Applicable
11-Mar-05	7,551,122	0.52%	146,491	Conversion of FCCB	Others	Not Applicable
18-Mar-05	26,065,963	1.75%	149,097	Conversion of FCCB	Others	Not Applicable
29-Apr-05	3,736,417	0.25%	149,471	Conversion of FCCB	Others	Not Applicable
17-Jun-05	1,779,246	0.12%	149,649	Conversion of FCCB	Others	Not Applicable
22-Jul-05	2,152,886	0.14%	149,864	Conversion of FCCB	Others	Not Applicable
19-Aug-05	2,152,887	0.14%	150,080	Conversion of FCCB	Others	Not Applicable
9-Sep-05	2,277,435	0.15%	150,307	Conversion of FCCB	Others	Not Applicable
14-Oct-05	16,546,994	1.09%	151,962	Conversion of FCCB	Others	Not Applicable
27-Oct-05	291,432	0.02%	151,991	Conversion of ESOP	Others	Not Applicable
6-Jan-06	622,736	0.04%	152,053	Conversion of FCCB	Others	Not Applicable
25-Jan-06	51,049	0.00%	152,059	Conversion of ESOP	Others	Not Applicable
12-Jan-07	288,911,242	15.97%	180,950	Rights Issue	Promoters & Others	Complied
20-Jul-07	1,813,393	0.10%	181,131	Conversion of FCCB	Others	Not Applicable
21-Sep-07	32,006,385	1.74%	184,332	Conversion of FCCB	Others	Not Applicable
28-Sep-07	15,158,152	0.82%	185,847	Conversion of FCCB	Others	Not Applicable
12-Oct-07	8,704,283	0.47%	186,718	Conversion of FCCB	Others	Not Applicable
26-Oct-07	4,261,473	0.23%	187,144	Conversion of FCCB	Others	Not Applicable
9-Nov-07	8,522,945	0.45%	187,996	Conversion of FCCB	Others	Not Applicable
14-Dec-07	11,061,697	0.58%	189,103	Conversion of FCCB	Others	Not Applicable
28-Dec-07	2,221,406	0.12%	189,325	Conversion of FCCB	Others	Not Applicable
11-Jan-08	27,200	0.00%	189,327	Conversion of FCCB	Others	Not Applicable
15-Feb-08	18,050	0.00%	189,329	Conversion of ESOP	Others	Not Applicable
21-Mar-08	272,008	0.01%	189,356	Conversion of FCCB	Others	Not Applicable
11-Apr-08	3,626,786	0.19%	189,719	Conversion of FCCB	Others	Not Applicable

As per the confirmation provided by TTML, the promoters and all major shareholders of TTML have complied with the provisions of Chapter II of SEBI(SAST) Regulations

7.9 The shares of TTML are listed on BSE and NSE. As per the confirmation provided by TTML, all the issued equity shares of TTML are listed.

7.10 TTML has complied with applicable provisions of the Chapter II of the SEBI (SAST) Regulations. :

7.11 TTML is in compliance with the listing agreement as on the date of the Public Announcement and no penal/punitive action has been initiated against TTML by the stock exchanges where its shares are listed.

7.12 The Board of Directors of TTML as on the date of this Letter of Offer are as follows:

NAME OF THE DIRECTOR	DESIGNATION & APPOINTMENT DATE	QUALIFICATION	EXPERIENCE	RESIDENTIAL ADDRESS
Mr. Ratan N. Tata	Chairman, 18-Oct-05	B.Sc., Arch. Struc. Engg. from Cornell University, N.Y.	Mr. Tata is also Chairman of the Board of Directors of Tata Sons Limited, Tata Industries Ltd and several major operating Tata companies e.g. Tata Steel Limited, Tata Motors Limited, The Tata Power Company Limited, Tata Chemicals Limited, The Indian Hotels Company Limited, Tata Tea Limited, Tata Consultancy Services Ltd, Tata Teleservices Ltd, Tata Teleservices (Maharashtra) Ltd, Tata Autocomp Systems Ltd and Jaguar LandRover Ltd., UK Earlier, he was Executive Chairman of Tata Motors Limited and Tata Sons Limited.	202A, Bakhtavar, Lower Colaba Road, Mumbai 400 005
Mr. S. Ramadorai	Director, 10-Aug-06	B.Com, F.C.A., F.C.A. (England & Wales)	S Ramadorai, CEO & MD of Tata Consultancy Services (TCS), has been associated with the company for the past 30 years. Mr. Ramadorai joined TCS as a trainee engineer and took over as CEO in 1996	103/104, Sagar Darshan, Worli Seaface, Mumbai 400 025
Mr. Arun kumar R. Gandhi	Director 10-Aug-06	Fellow member of Institute of Chartered Accountants of England & Wales, and that of India. Associate Member of Chartered Institute of Taxation, London	Mr. Gandhi joined Tata Sons Limited as an Executive Director on 18th August, 2003. Presently, he is a non-executive director with effect from 18th August, 2008. Earlier he was a Senior Partner of M/s. N.M. Raiji & Co., Chartered Accountants for many years. He is a Director of Tata Asset Management Limited, Tata Communications Limited, Tata Business Support Services Limited, Wireless TT Info Services Limited, Tata Tea Limited, Tata Tea (GB) Limited, Tata Tea Inc. and Tata Steel UK Ltd.	Akruti Astha, 23, G. Doongarsey Road, Walkeshwar, Mumbai - 400 006
Mr. N. S. Rama-chandran	Independent Director, 6-Dec-02		Mr. N. S. Ramachandran belongs to the Indian Telecommunication Service. He was the Ex. Chairman and Managing Director of the Mahanagar Telephone Nigam Ltd during 1995 and 1997.Prior to that he has held many responsible positions in the Government. He has been a specialist in the field of Telecom Network Planning and Operation and was deeply involved in the modernisation and Digitalisation of Telecom networks.He has also worked with the International Telecommunication Union as a Senior Expert in Rural Network in Geneva, Maldives, Uganda and Zimbabwe.When the country set up the Telecom Regulatory Authority of India (TRAI) in 1997, he was appointed as a Member and he held that office up to 2000.	B-2015, Krest Park, Kanakapura Road, Basavangudi, Bangalore - 560 004

NAME OF THE DIRECTOR	DESIGNATION & APPOINTMENT DATE	QUALIFICATION	EXPERIENCE	RESIDENTIAL ADDRESS
Prof. Ashok Jhunjhunwala	Independent Director, 12-Apr-07	B.Tech degree from Kanpur· MS and Ph.D degree from the University of Maine. Professor of the Dept. of Electrical Engineering , IIM, Chennai	Prof. Ashok Jhunjhunwala is Professor of the Department of Electrical Engineering, Indian Institute of Technology, Chennai, India and was department Chair till recently. Since 1981, he has been teaching at IIT, Madras.Prof. Jhunjhunwala leads the Telecommunications and Computer Networks group (TeNeT) at IIT Madras. This group is closely working with industry in the development of a number of Telecommunications and Computer Network Systems. TeNeT group has incubated a number of technology companies which work in partnership with TeNeT group to develop world class Telecom and Banking products for Rural Markets.His Research Interests include Telecommunications and Wireless Systems and Technologies for Rural Areas.	C2-02-05, III Loop Road, IIT Campus, IIT Madras, Chennai - 600036,Tamil Nadu, India
Mr. Anil Sardana	Director, 12-Mar-08	Electrical Engineering from Delhi University Post Graduate in Cost Accountancy (ICWAI) Post Graduate Diploma in Management	Mr. Sardana is Managing Director of Tata Teleservices Limited. Prior to taking over the reigns of TTSL, Mr. Sardana was the Executive Director, Tata Power Company.Mr. Sardana began his career as an Engineer Trainee at the National Thermal Power Corporation (NTPC). and undertook various responsibilities till he joined Tata Power in 2002 to lead the Distribution Business of the Company as CEO & later as MD. He spearheaded the turnaround & change management of the state-owned power retail distribution business. Under his leadership NDPL areas, witnessed significant Financial; Technical, Commercial improvements and the most significant being the recognitions that came from all quarters on benchmark & new initiatives in area of consumer care.Mr Sardana has also received numerous personal recognitions, significant among them being the Best CEO Award in 2006 and 2007 from two key South Asian Energy Sector Associations. He has also made significant contributions as Chairman of CII's sub-committee on Energy, as Chairman of Tata Group's Northern Regional Forum and in the area of Corporate Social Responsibility.	15, Gagan Vihar, New Delhi - 51

NAME OF THE DIRECTOR	DESIGNATION & APPOINTMENT DATE	QUALIFICATION	EXPERIENCE	RESIDENTIAL ADDRESS
Mr. Nadir B. Godrej	Independent Director, 12-Mar-08	B. S. (Chemical Engineering) from the Massachusetts Institute of Technology, USAM. S. (Chemical Engineering) from Stanford University, USAMBA from Harvard Business School	Mr. Nadir Godrej is the Managing Director of Godrej Industries Ltd. Mr. Godrej is on the Advisory Committees of the Indian Chemical Manufacturers' Assn. At present he is the President of the Alliance Francaise de Bombay, and a Trustee of the Foundation of Medical Research, Mumbai.	40-D, B G Kher Marg, Malabar Hill, Mumbai - 400 006
Dr. Mukund Govind Rajan	Managing Director, 23-Jan-08	B. Tech from IIT, Delhi Masters & Doctorate in International Relations from Oxford University	Dr. Mukund joined the Tata Group through the Tata Administrative Service (TAS) in January 1995. He was assigned to the office of Mr. Ratan Tata, Chairman, Tata Sons Limited, in 1996. Effective 23rd January, 2008 he joined TTML board as Additional Director and w.e.f. 28th February, 2008 has taken over as the Managing Director of TTML from Mr. Charles Antony. Before joining TTML, Dr. Mukund was working as Vice President, Tata Sons Limited, supporting Mr. Tata as a member of his office.	House No 2B, Manek Building, Malabar Hill, Mumbai- 400 006

7.13 As on the date of this Letter of Offer, there is no director of TTML who represents the Acquirer and no director of TTML other than the following, represent the PAC:

- Mr. R N Tata
- Mr A R Gandhi

The above persons have recused themselves and have not participated and shall recuse and shall not participate in any matter(s) concerning or 'relating' to the Offer including any preparatory steps leading to the Offer.

7.14 All the accounts of the Target Company as on date of this Letter of Offer are audited accounts. Brief financials of TTML are presented below: (Source: Audited Accounts for 2007-08 and 2006-07. Figures as of December 31, 2008 are for the nine-month period ended December 31, 2008; Source: Earnings Press Release, www.tataindicom.com)

Profit and Loss Statement:

ALL FIGURES IN RS LACS	Mar 06	Mar 07	Mar 08	Dec 08 (9 months)
Operating Income	109,513	140,698	170,719	145,911
Other Income	166	1,744	8,241	7,064
Total Income	**109,679**	**142,442**	**178,960**	**1,52,975**
Total Expenditure	97,208	112,182	130,405	1,07,537
EBITDA	**12,471**	**30,260**	**48,555**	**45,438**
Depreciation	47,190	44,623	43,935	33,793
Net Interest Expense	14,577	17,176	17,101	25,195
Profit Before Tax	(54,021)	(30,991)	(12,481)	(12,634)
Taxation	85	70	93	80
Net Profit	(54,106)	(31,061)	(12,574)	(12,714)

Balance Sheet for the year ended March 31st

ALL FIGURES IN RS LACS	Mar 06	Mar 07	Mar 08	Dec 08 (9 months)
Sources of Funds				
Paid up Share Capital	152,059	180,950	189,356	NA
Reserves & Surplus	21,521	41,387	57,617	NA
Shareholders Funds	173,580	222,337	246,973	NA
Secured Loans	108,012	169,626	209,809	NA
Unsecured Loans	103,173	33,261	52,878	NA
Total	**384,765**	**425,224**	**509,660**	NA
Uses of Funds				
Net block	226,151	222,667	286,113	NA
Capital WIP	17,508	20,317	12,500	NA
Total Net Current Assets	(82,235)	(72,218)	(55,985)	NA
Profit & Loss (Dr)	223,341	254,458	267,032	NA
Total	**384,765**	**425,224**	**509,660**	NA

Other Financial Data

ALL FIGURES IN RS LACS	Mar 06	Mar 07	Mar 08	Dec 08 (9 months)
Dividend %***	-	-	-	-
Earnings per Share – Basic (INR)	-3.55	-1.94	-0.68	-0.67
Earnings per Share – Diluted (INR)	-3.55	-1.94	-0.7	-0.67
Return On Net Worth % *	NA	NA	NA	NA
Book Value Per share (INR)**	-3.27	-1.78	-1.06	NA

* Return has been calculated as Net Income / (Shareholder's Equity + Minority Interest),

** Book Value per share has been calculated as Shareholder's Equity/ Weighted avg. no of basic shares,

*** Dividend % - Dividend per share upon Face value per share

7.15 Reasons for Rise /Fall in Total Income/PAT:

- **2008 vs. 2007:** Revenues for the company grew with growth in the subscriber numbers. During the year, revenues from telecommunication services increased to Rs. 170,719 lacs (previous year Rs. 140,698 lacs). This revenue growth was largely driven by the 65% increase in the number of subscribers to 50,79,212 at the end of March 2008 (compared to 30,73,872 subscriber lines as at the end of March 2007). The revenue growth was based on the growth in subscriber base, amidst falling tariffs. The tariffs of prepaid, postpaid and fixed line segments were reduced to meet increased competition. Increase in revenues and overall increased operational efficiency of the company resulted in 60% growth in EBIDTA compared to the previous year. Loss before extraordinary items and tax was lower due to the growth in EBIDTA.
- **2007 vs. 2006:** Sustained growth in revenues was maintained in spite of the increased competition and reducing tariffs. During the year, revenues from telecommunication services increased to Rs. 140,698 lacs (previous year Rs. 109,513 lacs). This revenue growth was largely driven by the 67% increase in the number of subscribers to 30,73,872 at the end of March 2007 (compared to 18,39,842 subscriber lines as at the end of March 2006). Further, the company implemented various programs to optimize its costs in the areas of network maintenance, operations and customer servicing. There were certain improvements in the collection of debts resulting in lower provisioning of doubtful debts. The overall increased operational efficiency of the company resulted in more than doubling of the EBIDTA. Loss before extraordinary items and tax was lower due to the growth in the EBIDTA.

7.16 The pre & post offer shareholding pattern of the target company based on shareholding as on the date of Letter of Offer is shown below -

SHAREHOLDERS' CATEGORY	SHAREHOLDING & VOTING RIGHTS PRIOR TO THE AGREEMENT/ ACQUISITION		SHARES /VOTING RIGHTS AGREED TO BE ACQUIRED WHICH TRIGGERED OFF THE REGULATIONS		SHARES / VOTING RIGHTS TO BE ACQUIRED IN OPEN OFFER(ASSUMING FULL ACCEPTANCES)		SHARESHOLDING / VOTING RIGHTS AFTER THE ACQUISITION AND OFFER (excluding dilution effect from outstanding convertible instruments)	
	(A)		(B)		(C)		(A) + (B) + (C) = (D)	
	No	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement - TSL	393,065,478	20.72					393,065,478	20.72
b. Promoter group other than (a) above								
TTSL	714,317,891	37.65					714,317,891	37.65
Tata Power Co. Ltd	137,263,174	7.24					137,263,174	7.24
Tata Investment Corp. Ltd	595,000	0.03					595,000	0.03
Panatone Finvest Ltd	17,850	0.00					17,850	0.00
Trent Brands Ltd	80,000	0.00					80,000	0.00
Total 1(a+b)	**1,245,339,393**	**65.64**					**1,245,339,393**	**65.64**
(2) Acquirers								
a. Main								
Acquirer - DOCOMO					192,120,960	10.13	192,120,960	10.13
b. PAC								
TSL					192,120,959	10.13	192,120,959	10.13
Total 2(a+b)					**384,241,919**	**20.25**	**384,241,919**	**20.25**
(3) Parties to agreement other than (1)(a) & (2)								
(4) Public (other than parties to agreement, acquirers & PACs)								
a. FIs/MFs/ FIIs/ Banks/SFIs								
Mutual Funds/UTI	25,696,600	1.35					10,549,413	0.56
FIs/Banks	5,188,435	0.27					2,130,046	0.11
FIIs	12,716,508	0.67					5,220,601	0.28
Insurance Companies	36,325,731	1.91					14,913,067	0.79
Central / State Governments	32,000	0.00					13,137	0.00
B. Others								
Bodies Corporate	103,351,693	5.45					42,429,725	2.24
Individuals	468,469,877	24.69					192,324,356	10.14
Foreign Corporate Bodies	1,000	0.00					410	0.00
Trusts	65,867	0.00					27,041	0.00
Directors & their relatives & friends	3,400	0.00					1,396	0.00
Total (4)(a+b)	**651,851,111**	**34.36**					**267,609,191**	**14.11**
Grand Total (1+2+3+4)	**1,897,190,504**	**100.00**			**384,241,919**	**20.25**	**1,897,190,503**	**100.00**

Notes:

1. For the purposes of this Letter of Offer, the Acquirer, TSL and other shareholders mentioned in 1(b) may be considered as part of the 'promoter group' as that term is defined in the SEBI DIP Guidelines. Further, none of the shareholders mentioned in 1(b) will be considered as part of public for continuous listing requirements under Clause 40A of Listing Agreements.
2. Assumed that each of the Acquirer and the PAC will acquire 50% of the total shares tendered under the Offer
3. Since this is indirect acquisition, there are no shares whose acquisition directly triggered the Regulations
4. It has been assumed that all categories of public shareholders (Point no 4 in above table) would tender their shares under the Offer and such shares would be accepted on a pro rata basis. This assumption has been used to calculate indicative classification of Public shareholders after completion of the Offer, as shown in the table above.
5. Total shares to be acquired under the offer is 20.25% of the equity share capital of TTML on a non-dilutive basis , as shown in the above table. Total shares to be acquired under the Offer constitute 20% of the Emerging Voting Capital of TTML
6. The other promoter group companies, as detailed in 1(b) above, would continue to remain as promoter group companies even after completion of the Open Offer.

7.17 Details of the change in shareholding of the promoter group as and when it happened in TTML are as under:

Year	Shares Acquired/ (Sold)	Total Holding of Promoters	% Holding to paid up Capital*	% Change *	Comments
December 6, 2002	Acquired	99,53,83,223	70.83%	70.83%	• 714317891 (50.83%) shares acquired pursuant to Share Purchase Agreement dated 27.06.2002 between TTSL and the selling shareholders of Hughes Tele.com (India) Limited. AND • 281065332 (20.00%) Shares acquired under the mandatory open offer made by TTSL together with TSL , Tata Power Company Limited (TPCL) and Tata Industries as Persons Acting in concert, pursuant to Letter of Offer dated 12.08.2002. • 16,15,65,693 (11.5%) shares acquired by TPCL and 11,94,99,639 (8.5%) by TSL. • Disclosed by TTSL, TPCL and TSL under Regulation 7 (1) of SAST and Regulation 13(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992 vide their letters dated December 9, 2002
January 12, 2007	Acquired	124,52,59,393	68.82%	-	• 249361170 Equity Shares acquired pursuant to Rights Issue entitlement, plus unsubscribed portion of the Rights Issue. • Subscription to shares under rights issue was exempt under Regulation 3(1)(b)(ii) of the SEBI Takeover Code
March 5, 2008	44444400 Equity Shares Sold by Tata Power Company limited (TPCL) and Acquired by TSL through interse transfer	124,52,59,393	65.78%	-	• Interse Transfer of 44444400 (2.35%) shares from Tata Power Co. Ltd. to TSL • Interse transfer was exempt under Regulation 3 (1) (e) (iii) (b) of the Takeover Code • Disclosed by, TPCL under Regulation 13(3) of SEBI (Prohibition of Insider Trading) Regulations, 1992 vide letter dated March 5, 2008 and by TSL vide letter dated March7, 2008 • Disclosed by TSL under Regulation 7(1A) of SEBI Takeover Code vide letter dated March 5, 2008
March 7, 2008	10555600 Equity Shares Sold by Tata Power and Acquired by TSL through interse transfer	124,52,59,393	65.78%	-	• Interse Transfer of 10555600 (0.56%) shares from Tata Power to Tata Sons Limited. • Interse transfer was exempt under Regulation 3(1) (e) (iii) (b) of the SEBI Takeover Code • Disclosed by TPCL under Regulation 13(3) of SEBI (Prohibition of Insider Trading) Regulations, 1992 vide letter dated March 7, 2008. • Disclosed by TSL (for transactions dated March 5 and March 7, 2008 on March 24, 2008 under Regulation 3(4) of SEBI Takeover Code in relation to the acquisitions made under the exemption set out in Regulation 3(1)(e) of the SEBI Takeover Code

* Shareholding percentage calculated as on the date of transaction. Promoters' percentage holding has come down on account of expansion in capital base.

TTML has complied with the applicable provisions of the SEBI (SAST) Regulations/other applicable Regulations under the SEBI Act, 1992 and other statutory requirements, as applicable.

7.18 Contingent Liabilities and Commitments (Source: Annual Report 2008)

RUPEES IN LACS	**Mar-2007**	**Mar-2008**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	20,650	18,074
Counter guarantees given by TTML	67,000	72,000
Claims against TTML not acknowledged as debt - Telecom regulatory matters	10,261	14,244
Others	8,466	8,333
TOTAL	**106,377**	**112,651**

TTML has received demands/ notices from various authorities. However, TTML is contesting these and the dispute/ s are outstanding at various levels. Pending the final settlement of these cases, all these amounts have been considered as contingent liabilities.

7.19 Some of the ongoing litigations involving TTML are detailed as under (Source: Annual Report 2008):

- **Walky ADC :** The company is a market leader in Fixed Wireless Phones (FWPs) offered under the brand name 'Tata Indicom Walky'. BSNL unilaterally treated these FWPs as mobile phones and raised demands for payment of Access Deficit Charge (ADC). TDSAT upheld these demands, and the company went in appeal to the Hon'ble

Supreme Court (SC). Effective March 2006, the ADC is to be calculated as a percentage of revenues, and hence this dispute is confined to demands for the relevant past periods. The Hon'ble SC upheld on April 30, 2008, the TDSAT judgment. The company and TTSL have filed a review petition seeking review of the aforesaid judgment. In view of the fact that BSNL itself had a FWP subscriber base of 26 lackh during the disputed period, and as the company and TTSL pointed out inaccuracies in BSNL demands, the Hon'ble SC directed the company and BSNL to make adjustments and quantify the amount payable. TDSAT in an interim order passed on May 30, 2008, stayed disconnection or any precipitate action by BSNL. The company was asked to pay an additional deposit to reach the level of 75% of BSNL's demands, and the parties have been directed to exchange within 4 weeks the data required for reconciliation and settlement as per IUC regulations. The company has made requisite deposit in compliance with the interim order passed by TDSAT. The information required from the company was submitted by the company in July 2008. However, BSNL has not yet submitted the information required by the company despite repeated orders by the TDSAT.

- **Dot counter claim:** The company had applied for Karnataka circle basic licence in 1997 and was issued a letter of Intent (LoI) with fixed fee. The company had requested DoT to allow implementation through a separate company which was agreed in principle by DoT in 1997 and all the documents required by DoT were submitted from time to time by the company. DoT could not take a final decision for 2 years thereafter, by which time the National Telecom Policy 1999 had been announced which provided for revenue share instead of fixed licence fee and ushered in an unlimited number of operators as against the previous regime of only one private operator. The company therefore did not pursue the LoI for a fixed licence. Despite its own inability to take a decision for 2 years, the DoT then sought to recover Rs. 50 crores from the company's Maharashtra circle payments in 1999. The company in 2002, filed a petition before TDSAT claiming refund of the Rs. 50 crores recovered by DoT in 1999. DoT during the proceedings before TDSAT claimed from the Company Rs. 303 crores towards loss of (opportunity to earn) licence fee and Rs. 351 crores as interest till October 31, 2002. TDSAT allowed refund of Rs. 50 crores to the company with interest of 17% p.a. and dismissed the DoT's counter-claim based on facts and a law point (i.e. TDSAT had no jurisdiction). DoT appealed to the Hon'ble Supreme Court, which without commenting on the merits of the counter-claim, confirmed that TDSAT had jurisdiction and remanded the matter to TDSAT for fresh adjudication. DoT is now seeking to file with TDSAT a counter-claim of Rs. 2015 crores, which includes Rs. 303 crores towards loss of (opportunity to earn) licence fee and interest of Rs. 1712 crores calculated upto March 31, 2008. DoT was required to file its counter-claims within a specified time period, but failed to do so; the Company has opposed the delayed filing of this counter-claim and the matter has been adjourned by TDSAT to July 30, 2008. If the counter-claim is admitted, the company is hopeful of once again succeeding in the matter. The Hon'able Supreme court has condoned the delay by DoT in filing of counter-claim. However, the counter-claim has not yet been admitted by TDSAT as the DoT has not paid the requisite filing fees.

7.20 Details of merger / demerger / spin offs / acquisitions involving TTML during the last 3 years from the date of this Letter of Offer are as under:

- TTML entered into a Business Transfer Agreement on September 30, 2008 with its wholly owned subsidiary 21st Century Infra Tele Limited for transfer of its passive tower infrastructure business. The Shareholders of the company had on May 28, approved hiving off of passive tower infrastructure undertaking to its wholly owned subsidiary.

7.21 Status of corporate governance (Source: Annual Report, 2008): TTML has a strong legacy of fair, transparent and ethical governance practices. The company's Board of Directors has deployed a code of conduct for its senior management including the Managing Director. The company has also adopted a code of conduct for its Non-Executive Directors. The company's corporate governance philosophy has been further strengthened through the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

- The major salutary principles of the Tata Code of Conduct are:
  - Conduct of business in consonance with national interest;
  - Fair and accurate presentation of financial statements;
  - Being a Equal Opportunities employer;
  - Prohibition on taking of gifts and donations, which can be perceived to obtain business or uncompetitive favours;
  - Practicing political non-alignment;
  - Maintaining quality of products and services;
  - Being a good Corporate Citizen;
  - Ethical conduct; and
  - Commitment to enhancement of shareholder value.
- The company's Board comprises of 8 Directors, 7 (87.5%) of them are Non-Executive, and 3 (37.65%) of them are Independent Directors. The Chairman is a Non-Executive Director. TTML is managed by the Managing Director under the supervision and control of the Board. The Managing Director is assisted by a team of highly qualified and experienced professionals.
- The Audit Committee of the Board is constituted in compliance with the provisions of Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956 and comprises of 3 members all of whom are Non-Executive Directors and 2 of them are also Independent Directors.
- The Investors Grievances Committee of the Board looks into redressal of the shareholders' complaints in respect of any matter including transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, dematerialisation of shares, IPO refunds and complaints, issue of duplicates and renewed share certificates, etc.
- Mr. Madhav J. Joshi, Chief Legal Officer and Company Secretary is the Compliance Officer of TTML as on date. His contact details are as follows - Madhav J. Joshi, Chief Legal Officer and Company Secretary, Tata Teleservices (Maharashtra) Limited, Address: Voltas Premises, T B Kadam Marg, Chinchpokli, Mumbai - 400 033, Tel. No. : 91 22 6667 1175, Fax No. : 91 22 6667 1049, Email address: madhav.joshi@tatatel.co.in

8. OFFER PRICE AND FINANCIAL ARRANGEMENTS

Justification of the Offer Price

8.1 The Shares are listed in India on NSE and the BSE (the "Stock Exchanges")

8.2 The annualized trading turnover during the preceding six months ended November 14, 2008 in each of the Stock Exchanges on which the Shares are listed is as below:

Name of Stock Exchange	Total Number of Shares Traded During preceding Six Calendar Months Prior to the Month in Which PA Was Made	Total Number of Listed Shares	Annualised Trading Turnover (In terms of % of total Listed Shares)	Trading Status in terms of the SEBI Takeover Code
NSE	938,237,720	1,897,190,504	98.91%	Frequently Traded
BSE	390,579,174	1,897,190,504	41.17%	Frequently Traded

(Source: NSE, BSE websites)

8.3 Based on the information available, the Shares are frequently traded on NSE and BSE within the meaning of explanation (i) to Regulation 20 (5) of SEBI Takeover Code. The Shares are most frequently traded on NSE.

8.4 The Offer Price of Rs. 24.70 per equity share (Rupees Twenty four and seventy paise only) of TTML is justified in terms of Regulation 20(4) of the SEBI Takeover Code in view of the following:

Regulation 20(12) of the SEBI (SAST) Regulations states that the offer price for indirect acquisition or control shall be determined with reference to the date of the public announcement for the holding company and the date of public announcement for acquisition of shares of the target company, whichever is higher, in accordance with Regulation 20(4) or 20(5) (as the case may be). Since, this is a case of an indirect acquisition, Regulation 20 (12) has been considered for computation of Offer Price

(a)	The negotiated price	Not Applicable **
(b)	The highest price paid by the Acquirer and PAC for acquisition of equity shares of the Target Company during the 26-week period prior to the date of the PA	Not Applicable***
(c)	The average of the weekly high and low of closing prices of the shares of the Target Company on NSE for the 26 weeks preceding the date of the PA	Rs. 24.52 per Share
(d)	The average of the daily high and low prices of the shares of the Target Company on NSE for the two weeks preceding the date of the PA	Rs. 15.38 per Share
(e)	The highest price paid by the Acquirer and the PAC for acquisition of Shares of the Target Company during the 26 week period prior to the date of the announcement of transaction in TTSL i.e. 26 weeks prior to November 12, 2008	Not Applicable
(f)	The average of the weekly high and low of closing prices of the Shares of the Target Company on NSE for the 26 weeks preceding the date of the announcement of transaction in TTSL i.e. 26 weeks prior to November 12, 2008	Rs. 24.70 per Share
(g)	The average of the daily high and low prices of the shares of the Target Company on NSE for the two weeks preceding the date of the announcement of transaction in TTSL i.e. 2 weeks prior to November 12, 2008	Rs. 14.87 per Share

**The consideration to be paid by DOCOMO under the SSA and SPA is a composite consideration and no specific amount has been attributed or allocated for TTSL's interest in the Target Company. Hence, negotiated price is not applicable.

***Neither the Acquirer nor the PAC have acquired any shares in TTML during the 26 week period prior to the date of the PA; thus regulation 20 (4) (b) is not applicable.

Given that clause (a) and (b) of Regulation 20(4) are not applicable the only other mode left for determination of minimum offer price is under clause (c) of Regulation 20(4) according to which higher of the average of weekly high and low of the closing prices of the shares of the target company during the 26 week preceding the date of public announcement, or the two-week average of the daily high and low of the prices of the target company is to be considered. Hence the price of Rs.24.70 to TTML's shareholder is justified and is as in accordance with the provisions of SEBI (SAST) Regulations

8.5 The Offer Price is in compliance with Regulation 20(7) of the SEBI(SAST) Regulations as the Acquire / PAC have not acquired any shares in the Target Company from the open market or through negotiations or otherwise after the date of the Public Announcement.

8.6 The average of the weekly high and low of the closing prices of the equity shares of TTML during the 26 weeks preceding the Public Announcement for the Target Company, on NSE is Rs. per share. Please see the following table for detailed computation: (Source: www.nseindia.com)

Week #	Week Ended	High (Rs)	Low (Rs)	Avg (Rs)	Volume (Shares)
1	22 May 2008	36.20	35.40	35.80	32,408,504
2	29 May 2008	34.15	31.50	32.83	45,396,022
3	5 June 2008	31.45	29.05	30.25	40,886,865
4	12 June 2008	29.65	28.05	28.85	44,832,055
5	19 June 2008	30.40	29.30	29.85	30,546,773
6	26 June 2008	27.75	25.65	26.70	50,141,901
7	3 July 2008	25.20	22.40	23.80	37,221,331
8	10 July 2008	25.45	23.60	24.53	33,647,121
9	17 July 2008	24.55	22.50	23.53	32,006,138
10	24 July 2008	25.50	23.35	24.43	25,159,652
11	31 July 2008	26.15	24.80	25.48	27,395,547
12	7 August 2008	28.40	25.95	27.18	70,400,477
13	14 August 2008	29.25	27.65	28.45	46,087,246
14	21 August 2008	27.55	26.55	27.05	13,768,838
15	28 August 2008	26.35	25.05	25.70	14,544,571
16	4 September 2008	27.00	26.40	26.70	17,618,964
17	11 September 2008	28.10	26.10	27.10	45,421,922
18	18 September 2008	27.05	23.95	25.50	29,068,834
19	25 September 2008	24.55	23.20	23.88	16,353,038
20	1 October 2008	22.55	21.65	22.10	19,549,172
21	8 October 2008	21.10	18.30	19.70	15,754,222
22	16 October 2008	17.95	16.55	17.25	23,222,061
23	23 October 2008	16.80	15.70	16.25	14,641,554
24	29 October 2008	13.95	12.70	13.33	20,692,195
25	6 November 2008	15.15	13.55	14.35	23,424,439
26	12 November 2008	18.00	16.00	17.00	84,766,521
	26 Week Average			24.52	32,882,922

8.7 The average of the daily high and low prices of the equity shares of TTML during the 2 weeks preceding the Public Announcement of the Target Company on NSE is Rs. per share. Please see the following table for detailed computation: (Source: www.nseindia.com)

Day #	Dates	High (Rs)	Low (Rs)	Avg (Rs)	Volume (Shares)
1	31 October 2008	13.85	12.80	13.33	4,712,350
2	3 November 2008	14.50	13.70	14.10	4,167,516
3	4 November 2008	15.40	13.60	14.50	6,010,090
4	5 November 2008	16.00	14.20	15.10	5,708,260
5	6 November 2008	14.25	13.60	13.93	2,826,223
6	7 November 2008	16.70	13.50	15.10	17,864,472
7	10 November 2008	18.00	16.25	17.13	15,755,258
8	11 November 2008	17.80	16.30	17.05	14,233,174
9	12 November 2008	19.15	17.25	18.20	36,913,617
	2 Week Average			15.38	12,021,218

8.8 The average of the weekly high and low of the closing prices of the equity shares of TTML during the 26 weeks preceding the public announcement of transaction in TTSL, on NSE is Rs. per share. Please see the following table for detailed computation: (Source: www.nseindia.com)

Week #	Week Ended	High (Rs)	Low (Rs)	Avg (Rs)	Volume (Shares)
1	20 May 2008	36.05	35.70	35.88	40,322,026
2	27 May 2008	36.20	31.50	33.85	34,040,577
3	3 June 2008	32.10	30.00	31.05	49,236,381
4	10 June 2008	29.75	28.05	28.90	48,602,276
5	17 June 2008	30.40	28.55	29.48	33,941,706
6	24 June 2008	29.85	26.10	27.98	34,387,201
7	1 July 2008	26.45	22.40	24.43	48,054,910
8	8 July 2008	23.95	22.75	23.35	34,295,860
9	15 July 2008	25.45	23.75	24.60	35,679,460
10	22 July 2008	23.95	22.50	23.23	23,373,687
11	29 July 2008	26.15	24.80	25.48	31,739,082
12	5 August 2008	27.20	24.85	26.03	40,289,626
13	12 August 2008	29.25	27.55	28.40	73,818,603
14	19 August 2008	28.65	27.05	27.85	19,511,235
15	26 August 2008	27.50	26.20	26.85	13,744,673
16	2 September 2008	27.00	25.05	26.03	22,092,857
17	9 September 2008	26.55	26.10	26.33	10,737,524
18	16 September 2008	28.10	24.65	26.38	56,572,672
19	23 September 2008	24.55	23.65	24.10	19,144,657
20	30 September 2008	23.75	21.65	22.70	23,178,871
21	7 October 2008	21.75	19.25	20.50	14,257,799
22	14 October 2008	18.30	16.55	17.43	20,290,189
23	21 October 2008	17.10	16.45	16.78	16,912,366
24	28 October 2008	16.65	13.15	14.90	18,605,538
25	4 November 2008	15.15	12.70	13.93	22,531,822
26	11 November 2008	17.75	13.90	15.83	56,387,387
	26 Week Average			24.70	32,374,961

8.9 The average of the daily high and low prices of the equity shares of TTML during the 2 weeks preceding the public announcement of transaction in TTSL, on NSE is Rs. per share. Please see the following table for detailed computation: (Source: www.nseindia.com)

Day #	Dates	High (Rs)	Low (Rs)	Avg (Rs)	Volume (Shares)
1	29 October 2008	14.75	12.50	13.63	7,641,866
2	31 October 2008	13.85	12.80	13.33	4,712,350
3	3 November 2008	14.50	13.70	14.10	4,167,516
4	4 November 2008	15.40	13.60	14.50	6,010,090
5	5 November 2008	16.00	14.20	15.10	5,708,260
6	6 November 2008	14.25	13.60	13.93	2,826,223
7	7 November 2008	16.70	13.50	15.10	17,864,472
8	10 November 2008	18.00	16.25	17.13	15,755,258
9	11 November 2008	17.80	16.30	17.05	14,233,174
	2 Week Average			14.87	8,768,801

8.10 Further the Offer Price of Rs 24.70 per share is justified in view of the following:

- The primary transaction is the acquisition of a 26% equity shareholding in TTSL, an unlisted Indian entity, by DOCOMO. The Open Offer by DOCOMO, along with TSL, is being made only due to an indirect change in control of TTML
- There is no negotiated price in relation to TTML or for that matter, any subsidiary of or investment by TTSL. Further, the consideration to be paid by DOCOMO under the SSA and SPA is a composite consideration and no specific amount has been attributed or allocated for TTSL standalone, or TTSL subsidiaries or TTSL's (37.65%) equity interest in TTML.
- Given the fact that the Transaction related to the acquisition of an equity stake in TTSL itself, DOCOMO did not conduct any separate due diligence (financial, legal or any other diligence) on TTML and no specific information

on TTML was shared between the parties while negotiating the TTSL transaction apart from publicly available information.

- The acquisition of the equity stake in TTSL by DOCOMO was based on DOCOMO's composite evaluation of TTSL, including but not limited to the primary drivers set out below:
  - TTSL is the sixth largest telecom operator in India, with telecom operations in 20 out of the 22-telecom circles across India. DOCOMO's interest and intent is to invest into TTSL and be a part of a pan India integrated telecom player
  - TTSL had a subscriber base of over 25 million subscribers as at end November 2008 (source: TRAI, November 2008 update)
  - TTSL operates in 20 circles constituting of 2 Metro circles, 4 Category A circles, 8 Category B circles and 6 Category C circles. Given the rapid growth of telecom in India, growth potential is significant in under penetrated category B & C circles:

Circle Category	**No. of Circles**	**Population (nos./m)**	**Teledensity (% of Pop.)**	**TTSL Circles**
Metro	3	51	103%	2
Category A	5	364	39%	4
Category B	8	491	28%	8
Category C	6	258	16%	6

(Source: TRAI, November 2008 update)

  - Compared to the above, TTML (where TTSL has a 37.65% interest) only operates in 2 circles (Mumbai and Maharashtra) with 6.5 million subscribers, where teledensity is already high compared to other several circles operated by TTSL.
  - TTSL also has subsidiaries namely, WTTIL, Tata Internet Services Limited and other financial investments, including 37.65% interest in TTML
  - TTSL and WTTIL have invested substantially in the creation of pan India infrastructure, centralized operations for billing/network operations/VAS, Telecom Towers and related infrastructure and NLD operations with over 60,000 km of fibre network and transmission equipment. The aforesaid assets are critical for integrated pan India operations and can be used as a platform for providing new services and reaching out to new customers. Similarly, TTSL also derives huge value from its large footprint of exclusive retail stores (over 3500 stores). It may be noted that other telecom players including TTML utilize many of these TTSL capabilities. Thus, TTSL would have incremental revenue streams from other telecom operators
- It may be noted that under the SSA and SHA, DOCOMO has significant rights in the conduct of the business operations of TTSL, including veto rights and right to appoint directors on to the Board of Directors of TTSL. It may also be noted that TTSL has a 37.65% equity shareholding in TTML. However, TTSL itself does not have any veto rights, management rights or control in the business operations of TTML
- It needs to be noted that the primary Transaction as described above was an investment into TTSL and DOCOMO did not undertake a separate due diligence on TTML; only a composite price for TTSL was offered by DOCOMO and there was no separate price allocated or attributed between parties or in the agreements for TTML
- A brief comparison of Offer Price of Rs.24.70 (calculated in accordance with The Regulations) vis-à-vis average monthly closing prices is given as below (Source: www.nseindia.com):

Time Period	**Avg. Monthly Price (Rs)**
June	28.27
July	24.21
August	27.17
September	24.98
October	16.76
November (till Nov 11th)	15.44

It should be noted that the tender Offer price is at 61% premium over the two-week average price and 46% over the one-week average price from the date of the Public Announcement.

8.11 In the opinion of the Manager to the Offer, the Acquirer and PAC, the Offer Price of Rs 24.70 per fully paid-up equity share (Rupees Twenty four and seventy paise only) is justified and is in compliance with the SEBI (SAST) Regulations.

8.12 If the Acquirer and the PAC acquire Shares after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

Financial Arrangement

8.13 The total fund requirement for implementation of the Offer at Rs. 24.70 per fully paid up share is Rs. 94,908 lacs assuming that full acceptance for the Offer is received ("Offer Consideration").

8.14 DOCOMO has provided bank guarantee ("Bank Guarantee") in favour of the Manager to the Offer, issued by Citibank N.A., a national banking association duly constituted, registered and in existence in accordance with the laws of the United States of America now in force and having its Head Office at 399 Park Avenue, Borough of Manhattan, City of New York and carrying on the business of banking in India as a scheduled commercial bank having its branch office at 4th Floor, Fort House, Fort, Mumbai 400001 for an amount of Rs. 11,500 lacs in favor of LIPL. The Bank Guarantee is valid till April 30, 2009. The said Bank Guarantee is in excess of the amount required under Regulation 28(2) of the SEBI (SAST) Regulations, i.e. 25% for the first Rs. 100 crores and 10% thereafter. Further, TSL has made a cash deposit of Rs. 1,000 lacs, being more than 1% of the Offer Consideration in an escrow bank account in the name of "SCB-Escrow account - Tata Sons (TTML) Open Offer" with Standard Chartered Bank ("Cash Deposit") in accordance with Regulation 28(10) of the SEBI (SAST) Regulations. LIPL has been authorized to realize the value of the aforesaid bank account as per the SEBI (SAST) Regulations.

8.15 DOCOMO currently has a sum of JPY 67,558,972,570 (equivalent to Rs. 3,28,134 lacs) in form of bank balance as of November 10, 2008 in the account with Mizuho Bank, Ltd. Head Office at 1-5 Uchisaiwai-cho 1-Chome, Chiyoda-ku, Tokyo, Japan 100-0011. The above amount is more than Offer size of Rs 94,908 lacs and is sufficient to fulfill the financial obligations under the Offer.

8.16 KPMG AZSA & Co., Chartered Accountants located at AZSA Center Building, 1-2 Tsukudo-cho Shinjuku-ku Tokyo 162-8551, Japan, who are the statutory auditors for the Acquirer, have vide their letter dated November 12, 2008 certified that the Acquirer has sufficient funds to fulfill its obligations under the Offer. The contact details of KPMG AZSA & Co are: AZSA Center Building, 1-2, Tsukudo-cho, Shinjyuku-ku, Tokyo 162-8551 Japan. Tel: +81-3-3266-7500, Fax No +81-3-3266-7600.

8.17 The source of funding in order to meet the obligations under the Offer, that is, payments to be made to the shareholders of TTML who validly tender their shares, is as under:

- DOCOMO: Exisiting cash generated from operations (cash and bank balances)
- TSL: Existing cash and bank deposits comprising of internal accruals and borrowings

8.18 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer and PAC to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

8.19 Acquirer and the PAC reserve the right to reconstitute the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. In case the Board of Directors of Target Company is reconstituted by the Acquirer and PAC during the Offer period, the Acquirer and PAC will fund the escrow account in cash to the extent of hundred percent of the Maximum Consideration as required under proviso of Regulation 22(7) of the SEBI Takeover Code.

9. TERMS AND CONDITIONS OF THE OFFER

Statutory Approvals required for the Offer

9.1 a) The purchase of Shares by the Acquirer is subject to the Acquirer obtaining approval from the Reserve Bank of India ("RBI"), under the FEMA. The RBI has vide its letter dated January 23, 2009 advised that it has no objection in relation to the Acquirer purchasing the Shares from persons other than erstwhile OCBs under the Offer subject to compliance with applicable FDI policy. Acceptance of Shares from erstwhile OCB(s) are subject to receipt of specific approval(s) from the RBI. Approval from FIPB is required for the Transaction. In the press release dated January 28, 2009, the FIPB has stated having recommended the applications made by the DOCOMO for consideration of CCEA, as the investment involved in the proposals is above Rs. 600 crores.

9.2 DOCOMO expects to receive the FIPB approvals (including CCEA approvals) in due course.

9.3 To the best of the knowledge of the Acquirer and PAC, as on the date of the Public Announcement, there are no other statutory approvals required to implement the Offer, other than those indicated above. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals.

9.4 The Acquirer and PAC, in terms of Regulation 27 of SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.

9.5 In case of delay in receipt of the above statutory approvals, SEBI has the power to grant extension of time to the Acquirer and PAC for payment of consideration to the shareholders of the Target Company, subject to the Acquirer and PAC agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirer and PAC in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

9.6 The Acquirer and PAC do not require any approvals from financial institutions or banks for the Offer.

Other Terms

9.7 This Offer is not conditional upon any minimum level of acceptance

9.8 If the aggregate of the valid responses to the Offer exceeds the Offer size of 384,241,919 Shares, then the Acquirer and PAC shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. As the equity shares of the Target Company are compulsorily traded in demat form, the minimum marketable lot being one (1) Share, minimum acceptance will be one Share.

9.9 The Offer is being made to the shareholders of TTML and a Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum-Acknowledgement will be mailed on or before February 14, 2009 to the shareholders of the Target Company (other than the Acquirer, the PAC and Tata Companies holding shares in the Target Company), whose names appear on the Register of Members of the Target Company and to the owner of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on December 5, 2008 (the "Specified Date").

9.10 All eligible owners of Shares, registered or unregistered including beneficial owners (other than the Acquirer, the PAC and Tata Companies holding shares in the Target Company), can participate in the Offer, at any time before the Offer Closing Date, as per the procedure in the section below. Eligible persons for the Offer can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified.

9.11 Accidental omission to dispatch this Letter of Offer or further communication to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer will not invalidate the Offer in any way.

9.12 Shares which are locked-in as per the provisions of SEBI DIP Guidelines, 2000, can be tendered in the Offer. In such an event, the residual lock-in period shall continue in the hands of the Acquirer.

9.13 Any Shares that are the subject matter of litigation or are held in abeyance due to pending court cases, attachment / restriction from Court/ Forum/ ITO / relevant statutory authorities, etc., wherein the shareholder(s) may be precluded from transferring the Shares during the pendency of the said litigation are liable to be rejected in case directions/orders of the Court / forum / ITO / relevant statutory authorities etc permitting transfer of these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the relevant statutory authorities for further action at their end.

9.14 The acceptance of the Offer made by the Acquirer and the PAC is entirely at the discretion of the shareholders of the Target Company. The Acquirer and the PACs will not be responsible in any manner for any loss of Share certificate(s) and Offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

9.15 Applications for the Offer will be accepted as per the term of the Offer mentioned in this Letter of Offer. Incomplete applications, received are liable to be rejected.

9.16 Acquirer and PAC will acquire the Shares, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

9.17 The instructions and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

10.1 Shareholders of TTML who wish to tender their Shares under this Offer should enclose the following documents duly completed so that the same are received by the Registrar to the Offer at any of their collection centres (as mentioned below) on or before 3:30 PM on the Offer Closing Date.

10.2 For Shares held in physical form:

Registered Shareholders should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificates.
- Original Share certificate(s).
- Valid share transfer deed / form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/ Notary Public/ Bank Manager under their Official Seal.

- In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.
- Self Attested copy of the Pan Card
- In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted

Unregistered owners should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein.
- Original Share certificate(s).
- Original broker contract note.
- Valid share transfer deed(s) as received from market, duly stamped and executed as the proposed transferee(s).
- Blank share transfer form executed by the proposed transferee as transferor(s) and witnessed at the appropriate place. The details of the buyer on the 2nd transfer form should be left blank. The details of the Acquirer as transferee will be filled by the Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be precondition for acceptance. No indemnity is required from unregistered shareholders.
- Self Attested copy of the Pan card of all the proposed transferees

10.3 For Shares held in dematerialized form:

- Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach the Registrar to the Offer - TSR Darashaw Limited - 6-10, Haji Moosa Patrawala Industrial Estate, 20 Dr. E Moses Road, Mahalaxmi, Mumbai 400011, on or before the close of the Offer, i.e., no later than March 12, 2009, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before close of the Offer, i.e., no later than March 12, 2009. In case of non-receipt of aforesaid documents, but receipt of shares in the special depository account, the offer shall be deemed to be accepted.

10.4 The Registrar to the Offer, TSR Darashaw Ltd, has opened a special depository account with National Securities Depository Limited ("NSDL") called, **"TSR Darashaw Limited Escrow A/c - TTML Open Offer"**. Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their equity shares in the special depository account:

Depository Participant ("DP") Name	Stock Holding Corporation Limited
DP ID	IN301330
Client ID	20629302
Account Name	TSR Darashaw Limited Escrow Ac/ - TTML Open Offer
Depository	National Securities Depository Limited

10.5 For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. Beneficial owners having their beneficiary accounts with CDSL have to use inter-depository delivery instruction slip for the purposes of crediting their Shares in favour of the special depository account with NSDL. In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Forms of Acceptance of such demat shares not credited in favor of the special depository account, before the Offer Closing Date will be rejected.

10.6 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the Form of Acceptance is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):

- Duly attested death certificate and succession certificate/ Letter of administration/ Probate of the will (in case of single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

- In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions)

10.7 The Share certificate(s), share transfer form, Form of Acceptance and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned below. **They should not be sent to the Manager to the Offer or the Acquirer or the PAC or the Target Company.** The above-mentioned documents can be sent to the collection centres as mentioned in section 13.9 by hand delivery on all days except Saturdays, Sundays and public holidays.

10.8 The minimum marketable lot for the purposes of acceptance, for both physical and demat shares, would be one Share.

10.9 All owners of Shares, registered or unregistered who wish to avail of and accept the Offer can 'hand deliver' the Form of Acceptance along with all the relevant documents at any of the below mentioned collection centres of the Registrar to the Offer in accordance with the procedure as set out in this Letter of Offer. All centres mentioned herein below would be open during the Offer period on all working days (except Saturdays, Sundays and Bank Holidays) during business hours as shown below. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects; otherwise the same are liable to be rejected.

Collection Centers & Address	Contact Person	Mode of Delivery	Phone No.	Fax No.
MUMBAI : TSR Darashaw Ltd. 6-10 Haji Moosa Patrawala Industrial Estate 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400011 Email: csg-unit@tsrdarashaw.com Website : www.tsrdarashaw.com	**Mary George**	Hand Delivery & Registered Post	+91-22-6656 8484	+91-22-6656 8494
BANGALORE : TSR Darashaw Ltd. 503, Barton Centre, 5th Floor 84, Mahatma Gandhi Road, Bangalore 560001 Email: tsrdlbang@tsrdarashaw.com	**R. Pandurangi**	Hand Delivery	+91-80-2532 0321	+91-80-2558 0019
KOLKATA : TSR Darashaw Ltd. Tata Centre, 1st Floor 43, Jawaharlal Nehru Road, Kolkata 700071 Email : tsrdlcal@tsrdarashaw.com	**Rijit Mukherjee**	Hand Delivery	+91-33-2288 3087	+91-33-2288 3062
NEW DELHI : TSR Darashaw Ltd. 2/42, Sant Vihar, Ansari Road Darya Ganj, New Delhi 110002 Email: tsrdldel@tsrdarashaw.com	**Shyamalendu Shome**	Hand Delivery	+91-11-23271805	+91-11-23271802
JAMSHEDPUR : TSR Darashaw Ltd. Bunglow No. 1, 'E' Road, Northern Town Bistupur, Jamshedpur 831001 Email: tsrdljsr@tsrdarashaw.com	**Subrata Das**	Hand Delivery	+91-657-2426 616	+91-657-2426 937
AHMEDABAD : Shah Consultancy Services Ltd. Sumatinath Complex, 2nd Dhal, Pritam Nagar Akhada Road, Ellisbridge, Ahmedabad 380006 Email: shahconsultancy8154@gmail.com	**Suresh Shah**	Hand Delivery	+91-79-2657 6038	+91-79-2657 6038

10.10 Shareholders who cannot hand deliver their documents at the collection centres referred to above may send the same by registered post, at their own risk, to the Registrar to the Offer at their office at TSR Darashaw Ltd. 6-10 Haji Moosa Patrawala Ind. Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai - 400011 and not to any other collection centre so that the same are received on or before 3:30 PM on the Offer Closing Date.

10.11 In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the same from the SEBI website (http:// www.sebi.gov.in) (ii) obtain a copy of the same by writing to the Registrar to the Offer (iii) send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e., no later than March 12, 2009 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than March 12, 2009.

10.12 In case any person has submitted his Shares in physical form for dematerialisation and such dematerialisation has not yet been effected. Such shareholders should ensure that the process of getting the Shares dematerialised is completed well in time so that the credit of the Shares to the special depository account is completed on or before 5 PM on the Offer Closing Date, failing which such an acceptance would be rejected. A copy of delivery instructions acknowledged by the DP in favour of the special depository account alongwith the copy of Form of Acceptance and other documents, as the case may be, should be forwarded to the collection centre before the Offer Closing Date.

10.13 While tendering Shares under the Offer, NRIs/ OCBs/ foreign and other non resident shareholders will be also required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares. In case the RBI approvals are not submitted, the Acquirer and the PAC reserve the right to reject the Shares tendered.

10.14 While tendering Shares under the Offer, where the Offer consideration (no. of Shares tendered multiplied by the Offer Price) payable exceeds Rs.1 lac, shareholders are requested to give their Permanent Account No. / General Index Register No. and attach a photo copy of the PAN / GIR no./ duly filled Form 60 (as applicable). The Acquirer and the PAC also reserve the right to reject such tenders from shareholders, where the details of PAN / GIR No. and a photo copy of the PAN / GIR no./ duly filled Form 60 (as applicable) is not submitted.

10.15 As per the provisions of section 196D(2) of the Income-tax Act, 1961, and as amended ("Income-tax Act"), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115 AD of the Income-tax Act. However the Acquirer and PAC will not deduct tax at source only if the Shares are held by the FII on investment/ capital account.

10.16 While tendering their Shares under the Offer, NRIs, OCBs and other non resident Shareholders will be required to submit a No Objection Certificate ("NOC") / Tax Clearance Certificate ("TCC") indicating the amount of tax to be deducted by the Acquirer and the PAC before remitting the consideration, from Income Tax authorities under the Income Tax Act. In case the aforesaid NOC / TCC is not submitted, the Acquirer and the PAC will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders, on the entire consideration amount payable to such shareholders. Further, FIIs will also have to enclose their SEBI registration letter. The Acquirer and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid NOC / TCC is not submitted.

Payment of consideration:

10.17 Shareholders must note that on the basis of name of the Shareholders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Form of Acceptance-cum-Acknowledgement, the Registrar to the Issue will obtain, from the Depositories, the Shareholders' demographic details including address, bank account details, the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf and occupation. These bank account details will be used to make payment to the Shareholders. Hence Shareholders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of payment or electronic transfer of funds, as applicable, and any such delay shall be at the Shareholders' sole risk and neither the Acquirer, the PAC, the Manager to the Offer, Registrar to the Offer nor the Escrow Bank shall be liable to compensate the Shareholders for any losses caused to the Shareholder due to any such delay or liable to pay any interest for such delay.

10.18 The payment to the Shareholders would be done through various modes in the following order of preference:

- **Electronic Clearing System ('ECS')** - Payment would be done through ECS for Shareholders having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment through ECS is mandatory for Shareholders having a bank account at any of the abovementioned 68 centers, except where the Shareholder, being eligible, opts to receive payment through direct credit or RTGS.

- **Direct Credit** - Shareholders having bank accounts with the Escrow Banker, as mentioned in the Acceptance cum Acknowledgement Form, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirer and PAC.
- **Real Time Gross Settlement ('RTGS')** - Shareholders having a bank account at any of the abovementioned 68 centres and whose amount exceeds Rs. 5 million, have the option to receive the payment through RTGS. Such eligible Shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirer and PAC. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholder.
- **National Electronic Fund Transfer ('NEFT')** - Payment shall be undertaken through NEFT wherever the Shareholder's bank has been assigned the Indian Financial System Code ('IFSC'), which can be linked to a MICR, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to the Shareholder through this method. The process flow in respect of payments by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.
- For all other Shareholders, including physical Shareholders and those who have not updated their bank particulars with the MICR code, the payments will be despatched under certificate of posting for value upto Rs. 2,500 and through Speed Post/ Registered Post for payments above Rs. 2,500. Such payments will be made by cheques, pay orders or demand drafts drawn on the Escrow Bank and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Shareholders.

10.19 In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer, may do so upto 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centres mentioned above as per the mode of delivery indicated therein on or before March 5, 2009.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with TTML for shareholders in case of physical holdings/ with the Depository in case of electronic holdings. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an acceptance on plain paper along with the following details:
  - In case of physical shares: Name, address, distinctive numbers, folio number and number of Shares tendered, number of Shares withdrawn alongwith the original acknowledgement receipt received at the time of tendering the shares. In case if the documents are sent by Registered post, than a copy of the Form of Acceptance may be attached.
  - In case of dematerialised shares: Name, address, number of Shares tendered, number of Shares withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the special depository account and original acknowledgement/ copy of Form of Acceptance, if sent by registered post.
- Shareholders who have tendered Shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining Shares (i.e. Shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.
- The withdrawal of Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer/ special depository account.
- The intimation of returned Shares to the shareholders will be at the address as per the records of the Target Company or the Depositories as the case may be.
- In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from the Target Company.

- Partial withdrawal of tendered Shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.
- Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

10.20 Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by registered post/ speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective DP from which the shares were tendered. It will be the responsibility of the equity shareholders to ensure that the unaccepted Shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.

10.21 The Registrar to the Offer will hold in trust the Shares/Share certificates, Shares lying in credit of the special depository account, Form of Acceptance, and the transfer form(s), if any, on behalf of the shareholders of the Target Company who have accepted the Offer, until the Acquirer and the PAC complete the Offer obligations in accordance with the SEBI Takeover Code.

Tax to be deducted at source

10.22 Summary of various provisions related to Tax Deduction at Source (withholding tax) under the Income Tax Act:

- All the shareholders should be classified as resident and non-resident. The status as resident / non-resident is to be determined on the basis of criteria laid down in section 6 of the Income Tax Act, 1961.
- No tax is required to be deducted on payment of consideration to resident shareholders.
- The rate of deduction of tax in the case of non-resident is dependent on few other factors. Since the Acquirer does not have in-house information in respect of various shareholders, all the shareholders have to specify their category in the form of acceptance.
- As per the provisions of the section 2(37A) (iii) of the Income Tax Act, 1961, for the purposes of deduction of tax under section 195, the rate or rates of income-tax specified in this behalf in the Finance Act of the relevant financial year i.e. 2008-09 or the rates or rates of income tax specified in an agreement entered into by the Central Government under section 90 or an agreement notified by the Central Government under section 90A, whichever is applicable by virtue of the provisions of section 90, or section 90A, as the case may be, i.e. whichever beneficial, would be the applicable rate of TDS.
- In the event the aforementioned categories of shareholders require the Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the income tax authorities either under section 195(3) or under section 197 of the Income Tax Act, and submit the same to Acquirer while submitting the Form of Acceptance. In the absence of any such certificate from the income tax authorities, the Acquirer will deduct tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect.
- As per the provisions of section 196D(2) of the Income-tax Act, 1961, and as amended ("Income-tax Act"), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115 AD of the Income-tax Act. However the Acquirer and PAC will not deduct tax at source only if the Shares are held by the FII on investment/capital account.
- NRIs, OCBs and other non resident Shareholders are required to submit a No Objection Certificate ("NOC") / Tax Clearance Certificate ("TCC") indicating the amount of tax to be deducted by the Acquirer and the PAC before remitting the consideration, from Income Tax authorities under the Income Tax Act. In case the aforesaid NOC / TCC is not submitted, the Acquirer and the PAC will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders, on the entire consideration amount payable to such shareholders. Further, FIIs will also have to enclose their SEBI registration letter. The Acquirer and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid NOC / TCC is not submitted.

10.23 Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Acquirer, PAC and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The tax rate and other provisions may undergo changes.

11. DOCUMENTS FOR INSPECTION

11.1 The following material documents are available for inspection by shareholders of the Target Company at the office of the Manager to the Offer, Lazard India Private Ltd, 20th floor, Express Towers, Nariman Point, Mumbai 400 021, from

10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer Closing Date:

- A copy of the Share Subscription Agreement dated November 12, 2008 entered into between DOCOMO, TSL and TTSL
- A copy of the executed Share Purchase Agreement with TSL dated December 5, 2008 and proposed Share Purchase Agreements to be entered into between DOCOMO and other shareholders in TTSL
- A copy of the proposed Shareholders Agreement
- Copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association of DOCOMO and TSL
- Copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association of the Target Company;
- Copy of published Public Announcement dated November 14, 2008
- The audited financial statements for last three years of the Acquirer and the PAC
- The annual reports of the Target Company for the last three years;
- Copy of the certificate dated November 12, 2008 issued by KPMG AZSA & Co confirming sufficient funds with the Acquirer for meeting its obligations under the SEBI Takeover Code;
- Copy of the agreement between the escrow banker, the Acquirer and the Manager to the Offer, authorising the Manager to the Offer to realize the value of the 100% cash deposit, in terms of the SEBI Takeover Code;
- Copy of letter from Standard Chartered confirming the amount kept in the escrow account
- SEBI observation letter no. CFD/DCR/RKD/TO/152949/2009 dated February 4, 2009;

12. DECLARATION BY ACQUIRER AND PAC

12.1 The Acquirer and the PAC represented by their respective Board of Directors accept responsibility for the information contained in this Letter of Offer (other than information in relation to the Target Company, which has been compiled from publicly available sources or received from the Target Company) and for their obligations under the SEBI Takeover Code. The Acquirer and the PAC are severally and jointly responsible for fulfilment of their obligations in terms of the SEBI Takeover Code.

For NTT DOCOMO, INC.

Sd/-

Authorized Signatory

Name : Mr. Toshinari Kunieda, Senior Vice President, Managing Director of Global Business Division

Place : Tokyo, Japan
Date : February 9, 2009

For Tata Sons Limited

Sd/-

Authorized Signatory

Name : Mr. Ishaat Hussain, Finance Director

Place : Mumbai, India
Date : February 9, 2009

ANNEXURE

TTML has complied with the requirements of Chapter II of SEBI (SAST) Regulations as under:

Sl. No.	Regulation/ Sub-regulation	Due date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days) Col. 4 Col. 3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1.	6(2)	20-5-1997	Not applicable	Not applicable	Not applicable
2.	6(4)	20-5-1997	Not applicable	Not applicable	Not applicable
3.	8(3)	30-4-1998	Not applicable	Not applicable	Not applicable
4.	8(3)	30-4-1999	Not applicable	Not applicable	Not applicable
5.	8(3)	30-4-2000	Not applicable	Not applicable	Not applicable
6.	8(3)	30-4-2001	30-Apr-2001	No	Not Applicable
7.	8(3)	30-4-2002	15-Nov-2002	198 days	Filed under SEBI Regularization Amnesty Scheme 2002
8.	8(3)	30-4-2003	22-Apr-2003	No	Not Applicable
9.	8(3)	30-4-2004	21-Apr-2004	No	Not Applicable
10.	8(3)	30-4-2005	26-Apr-2005	No	Not Applicable
11.	8(3)	30-4-2006	28-Apr-2006	No	Not Applicable
12.	8(3)	30-4-2007	30-Apr-2007	No	Not Applicable
13.	8(3)	30-4-2008	23-Apr-2008	No	Not Applicable

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